MME Form 9
Rev. Mar. 59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

OFFICIAL DOCKET FILE

Contract No. 14-23- 679 Docket No. MME-3290

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [x] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits
- [x] Termination Notice or Agreement
- [ ] Recision Notice
- [x] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [x] Field Team Semiannual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty Material

Idm-E679 C. C. Burleson, Assignee DMEA-3290

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

The Termination Agreement provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land under the contract. The land consists of about five acres located one mile S. 58° E. of the Mine Fork School. At the time the contract was executed the Operator was in possession by virtue of a five-year lease granted on November 30, 1953, by E. L. and Eloise Briggs, Burnsville, North Carolina. In consideration of the contract, the landowners executed an Owner's Consent to Lien on July 6, 1954.

Exploration work under the contract was terminated effective August 1, 1954, under the Termination Agreement dated December 29, 1955. On October 25, 1954, J. H. Young assigned his interests in the lease to C. C. Burleson. This was followed by a November 4, 1954, assignment of the contract. The Government approved the assignment without releasing the Assignor from any of the provisions of the contract.

The Operator made one sale of 16.88 lbs. of sheet mica, with proceeds of $203.80, during the exploration work and thereafter abandoned the project. The property was idle until March 5, 1958, when Terry Mica Mines, Inc., a subsidiary of Consolidated Ventures, Inc., 1003 K Street, N. W., Washington, D. C., began operations. This lessee quit operations in June 1958 after selling 18.31 lbs. of sheet, 6,740 lbs. of hand-cobbed, and 1,430 lbs. of scrap for $1,644.74 in the aggregate. All of these sales are covered by a Report of Royalty Review dated September 7, 1960.

Inquiries by OME regional representatives established that the property was inactive from June 1958 to January 1, 1959. By March 1, 1961, July 30, 1962, and October 28, 1963, replies to MME Form 63 inquiries, E. L. Briggs advised that neither production nor change in property status has occurred since January 1, 1959. An examination of the G.S.A. Mica Purchase Depot's records during June 1962 by a representative of this Division disclosed no unreported sales.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E679, Docket DMEA-3290 (Mica), dated June 24, 1954, with

J. H. Young and C. C. Burleson
and their assignee
C. C. Burleson
Minneapolis, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Ruby Mine, Shaft Mine, and E. L. Briggs Property located in Yancey County, North Carolina, during the period September 7, 1960, through October 28, 1963.

In accordance with a Termination Agreement dated December 29, 1955, and Annex II of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated February 8, 1956, indicated accepted costs under the exploration contract amounting to $737.00 with the Government's contribution on a 75 percent basis being $552.75.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review found no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through September 6, 1960, to be $1,848.54. The royalty account as of September 6, 1960, was:

Total Royalty Payable	$92.43
Total Royalty Paid	92.43
Balance of Royalty Due	$ -0-

As of October 28, 1963, the royalty account of this project was found to be:

Total Royalty Payable	$92.43
Total Royalty Paid	92.43
Balance of Royalty Due	$ -0-

November 6, 1963

E. D. Talbert, OME Auditor

(1) The files indicate that all sales of production since the date of the contract have been reported and proper royalty thereon paid;

(2) The property has been inactive since June 1958; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E679, Docket No. IMRA-3290 (Mica), dated June 24, 1954, with

C. C. Burleson, Assignee
Minneapolis, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Ruby Mine located in Yancey County, North Carolina, during the period June 24, 1954, through September 6, 1960.

In accordance with Termination Agreement dated December 29, 1955, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review in lieu of final audit dated February 8, 1956, indicated accepted costs under the exploration contract amounting to $737.00 with the Government's contribution, on a 75 percent basis, being $552.75.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established the total sales of mica for the period to be $1,848.54. Royalty due the Government at rates specified in the contract is $92.43. The royalty paid and the balance due are as follows:

Total Royalty Due	$92.43
Total Royalty Paid	92.43
Balance of Royalty Due	$ -0-

C. E. Fisher
C. E. Fisher, OME Auditor

September 7, 1960

9 C. C. Burleson, Assignee DMBA-3290

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This mine has not been operated since the spring of 1958. The last sale included in this royalty computation consisted of 1,160 pounds of hand-cobbed mica sold by Terry Mica Company to the Spruce Pine Mica Purchase Depot on June 3, 1958.

My review included a tabulation and recomputation of copies of sales data obtained in support of royalty payments. A summary of the sales and royalty paid follows:

Kind of mica	Pounds	Value	Royalty
Sheet	35.19	$ 419.39	$20.97
Hand-cobbed	6,740.00	1,407.85	70.39
Scrap	1,430.00	21.30	1.07
Totals	8,205.19	$1,848.54	$92.43

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) Inspection reports by field representatives of the Government and other correspondence in the Washington office files indicate that all production from the land described in the contract since the date of the contract has been reported and appropriate royalty has been paid to the Government; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name C. C. Burleson, Assignee

Address Minneapolis, North Carolina

Exploration Contract No. Idm-E679 Docket No. DMEA-3290

		Check One Yes	Check One No.
1.	(a) Does the Operator stockpile ore subject to royalty repayment?		X
	(b) If so, is segregation and identification procedure adequate?		
2.	(a) Does Operator commingle production subject to DMEA or OME royalties with exempt production?		X
	(b) If so, do you consider the allocation of the commingled production equitable?		
3.	(a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		X
	(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4.	Do you consider the assay controls in effect are adequate?	X	
5.	Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	X	
6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?	X	
7.	Does the Operator buy from or sell to other Operators?		
8.	Comment on any item 2 (b) to 6 if answer is No.		

September 6, 1960
Date

Lawrence D. Hock
Mining Engineer

53362

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/9	Murphy	120
	[illegible]	120
7/9	Talbert	800
	on leave	110
	[illegible]	100
		220

JUL 1 0 1964

Messrs. J. H. Young and C. C. Burleson

Minneapolis, North Carolina

Re: DMEA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract Idm-E679

Gentlemen:

By the terms of the subject Exploration Project Contract and the royalty agreement in Paragraph 5 of the Termination Agreement, dated December 29, 1955, all minerals mined or produced from June 24, 1954, to June 24, 1964, were subject to the Government's percentage royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Acting Director

FMMurphy/mm
7/8/64
cc: Director's Reading File
CA&A Division
R. A. Laurence, Knoxville, Tenn. w/cy of Form 63 dated 6/24/64
Docket
120M
E. L. Briggs, Burnsville, N. C.

43683

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

J. H. Young and C. C. Burleson, Partners

Minneapolis, North Carolina

pertaining to Exploration Project Contract No. Idm-E679, Docket No. DMEA-3290, for the month of July 1954, covering a project for the exploration of mica on property, known as Ruby Mine located in Yancey County, North Carolina.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

> all of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$737.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Meredith	-0-	-0-
Total Accepted Cost		$737.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Five hundred fifty-two and 75/100 Dollars

$552.75

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

C. E. Fisher
C. E. Fisher, Auditor

February 8, 1956

Docket copy

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TERMINATION AGREEMENT

It is agreed this 29th day of December, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and C. C. Burleson, Assignee, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-8679, Docket No. DMEA-3290, dated June 24, 1954, hereinafter called the "Contract," that:

1. Effective August 1, 1954, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. That part of the second sentence in Article 7 of the contract form beginning with the word "Provided," is deleted.

5. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government the royalty on production provided for in the Contract, in the same manner and amount, and for the same period, as if certification of discovery or development had been made, such certification being hereby waived.

6. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C P Mattindorf
Administrator, Defense
Minerals Exploration
Administration

Brown
Dwyer
Appd. Sci. Off.
Anderson
Selfridge
Johnson
Asher

C. C. Burleson (Assignee)
C. C. Burleson

Docket copy

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ASSIGNMENT OF CONTRACT
ASSIGNEE'S ACCEPTANCE
GOVERNMENT'S CONSENT

WHEREAS, J. H. Young and C. C. Burleson, partners (hereinafter called the "Operator"), entered into Exploration Project Contract Idm-2679 (Docket No. DMEA-3890), dated June 24, 1954 (hereinafter called the "Contract"), with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter called the "Government"); and

WHEREAS, J. H. Young (hereinafter called the "Assignor") has transferred his interest in the land which is the subject of the Contract to C. C. Burleson (hereinafter called the "Assignee");

NOW THEREFORE, the Assignor in consideration of the sum of One Dollar and other good and valuable consideration received from the Assignee, does hereby assign, transfer, and convey to the Assignee all of his right, title, and interest in and to the Contract, including any money which may be due the Operator, and hereby consents to all future amendments of the Contract. The Assignor hereby releases the Government from any and all claims, past, present, or future arising out of the Contract.

This Assignment is subject to written acceptance by the Assignee and to the written consent of the Government.

Dated [illegible], 1954.

J. H. Young
J. H. YOUNG

The Assignee, C. C. Burleson, hereby accepts the above Assignment, and assumes and agrees to be bound by

the terms, provisions, and conditions of the Contract.

Dated Nov 4, 1954.

C. C. Burleson

C. C. BURLESON

The Government, this 19th day of October, 1954, without releasing the Assignor, J. H. Young, from any of the terms, provisions, and conditions of the Contract, hereby consents to the above Assignment.

THE UNITED STATES OF AMERICA

By C. W. Mitteudorf

Administrator, Defense Minerals Exploration Administration

Rutin

Hoffman

Chandler

Selfridge

Johnson

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 3290

COMMODITY Mica

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Docket copy

IDM - E 679

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 24th day of June, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] J. A. Young and C. C. Burleson, Partners Minneapolis, North Carolina

hereinafter called the "Operator," as follows: and as set forth in Annexes I and II attached hereto and made a part hereof.

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina County of Yancey, described as ~~follows~~ set forth in Annex I.

the Operator represents and undertakes:[4]

~~(a) That the Operator is the owner of the property described above, subject to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within Sixty (60) days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of Five (5) Months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 75 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $3,262.50, which is 75 percent of $4,350.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations. See Annex II, substituted for Article 6

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

By J. H. Young (Partner)
J. H. Young (Operator)

By C. C. Burleson (Partner)
C. C. Burleson

THE UNITED STATES OF AMERICA
C. Mittendorf
Administrator, Defense Minerals Exploration Administration

Robin
Hoffhend
Hugh Talbot

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
J. H. YOUNG and C. C. BURLESON
DOCKET NO. DMSA-3290

ANNEX I

The land referred to in Article 2 of the contract form is known as the Ruby (Shaft) Mine and was leased for mining purposes to Arnold Thomas, J. H. Young, and C.C.Burleson for a period of five years by E. L. Briggs and wife, Eloise Briggs, by an instrument dated November 30, 1953, and recorded in Book No. 112, page 107, Official Records of Yancey County, North Carolina. It is located one airline mile S. 58° E. of the Mine Fork School, Yancey County, North Carolina and is bounded as follows:

"Beginning at center of Ruby Mine, thence N. 14-00 E. 90 feet to a point on the north property line, thence S. 80-00 E. 500 feet to the northeast corner, then S. 14-00 W. 336 feet to the southeast corner, thence N. 80-00 W. 650 feet to the southwest corner, thence N. 14-00 E. 336 feet to the northwest corner, thence S. 80-00 E. 150 feet to the beginning point on the north property line, and comprising five acres."

See Lessee's consent to assignment dated July 6, 1954, in Supervision of Contract Administration and Audit file, Jaffe

EXPLORATION PROJECT CONTRACT
J. H. YOUNG AND C. C. BURLESON, PARTNERS
DOCKET NO. DMEA-3290

JUL 1 4 1954

ANNEX II

The following provisions are in lieu of Article 6 :

Repayment by Operator.--a. Certification.--If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

d. Unsold production.--If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

f. Lien for payment.--To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

g. Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

h. No obligation to produce.--Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

EXPLORATION PROJECT CONTRACT
J. N. YOUNG and C. C. BURLESON
DOCKET NO. DMEA-3290

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the attached map entitled "Sketch of Ruby (Shaft) Mine, Yancey County, North Carolina, DMEA-3290 (mica)," as follows:

1. Construct a powder magazine, an exploder magazine, and a 10-ft. by 12-ft. toolhouse.

2. Recondition the existing 22-feet deep, southeasterly inclined, shaft.

3. Sink the shaft an additional 35 feet on the pegmatite to a total depth of 57 feet. The cross-sectional dimension of the shaft shall be 5 feet by 7 feet in the clear of timber.

4. From the bottom of the shaft drive 75 feet of drift and/or crosscut, with a cross-sectional dimension of 5 feet by 7 feet in the clear of timber.

All openings shall be timbered where necessary.

The location, inclination, direction and extent of all work are subject to the approval of the Government.

AGREED UNIT COSTS

Constructing:-	Toolhouse 1/	$ 75.00	
	Powder magazine 1/	25.00	
	Exploder magazine 1/	13.00	
Reconditioning Shaft 1/		237.00	
Sinking 35 ft. of shaft at $50.00/ft.		$1,750.00	
Driving 75 ft. of drift and/or crosscut at $30.00/ft.		2,250.00	
AGREED ESTIMATED TOTAL COST OF PROJECT			$4,350.00
GOVERNMENT PARTICIPATION AT 75%			$3,262.50

1/ The completed work constitutes the unit.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1954

March 17, 1954

Mr. J. H. Young
Young & Burleson
Minneapolis, N. C.

Re: Application - Young & Burleson
Ruby Mine (mica) Yancey County, N. C.

Dear Mr. Young:

Your application for exploration aid on the subject mine is being returned herewith for additional information. It is necessary to answer all questions on the application form. As there is not sufficient room on the form for your answers, please put them on a separate sheet of paper.

In your application you did not state what you proposed to do (item 5 (b)), nor did you give an Estimate of the Cost (item 6). If you answer all the parts of Item 6 (a thru h) and total them this will give you the cost estimate

If you have any questions on the above, Mr. K. H. Teague, and Mr. L. E. Shirley of the field team will be at Beams Court in Spruce Pine, Wednesday March 24 at about 6 p.m. They will be glad to help you.

Very truly yours,

Wm. A. Beck, Acting

EXECUTIVE OFFICER
DMEA REGION VII

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1954

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 3290
Metal or Mineral Mica
Date Received
Estimated Cost $13,411
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: YOUNG AND BURLESON; (J. H. Young, Manager, C. C. Burleson, Partner in Management), Avery County, N. C.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Lease on Five Acres, E. L. Brigg's Property, Yancey County, On Mine Fork Creek, Three miles from Burnesville, Mine known as Ruby Mine, Shaft Mine.

(*b*) State any mine name by which the property is known. Ruby Mine

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Lessees

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. Attached

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

16—66551-1

Gasoline Power at Mine, Compressor, Hoist, water. Other supplies. Plenty of Man Power available for work.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Mica

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. 10 days of loan One year

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☐ Use of equipment owned by you ☐ Other Labor

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated March 12, 1954

Young and Burleson
(Applicant)

By C. H. Young
C. C. Burleson

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

APPENDIX

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1954

4. (a) We have been mining this property for the past four months and the work has consisted of sinking two shafts about forty feet apart, one 15' deep and the other about 25' deep. The shafts are not timbered and have partially caved. The shafts are accessible by ladder or hoisting bucket.

(b) This is a new prospect and no mica was produced previous to our operation. We have sold to the G. S. A. Depot in Spruce Pine, N. C. $800. worth of mica which averaged about $12.00 per pound. We have no mica on hand from the operation.

(c) The vein runs NE - SW and the dip is near vertical. The vein is made up of flint, felspar, and ruby mica. There is no maps on this mine since it is a new prospect.

(d) The mine is located 3.3 miles N 26 E, of Burnsville, Yancey County, N. C. It is about ½ mile northeast of Mine Fork School. An access road has been built and bull dozed from a graveled road to the mine. The mine is about 18.5 miles from Spruce Pine which would be the shipping and supply points. Our residence is Minneapolis, N. C. a distance of thirty six miles.

(e) Manpower is available in the general area. Material, supplies, and equipment can be obtained in the Spruce Pine area.

5. (a) We propose to sink one of the shafts about 50 feet deeper which we think will place us in good mica bearing rock. From the shaft bottom we would like to run drifts that would total 50 feet. The mine location is shown on the plat.

(b) See application.

(c) C. C. Burleson has had 41 years in mica mining and related work. J. H. Young has had ten years experience in mica mining.

6. (a) None.

(b)

1	Supervisor 1000 shifts @ $1.50 per hour	$1500.00
1	drill runner 100 shifts @ $1.50 per hour	1500.00
3	muckers 300 shifts @ $1.00 per hour	3000.00
1	supervisor mica house @ $1.50 per hour 1000 shif.	1500.00
3	mica splitters 300 shifts @ $1.00 per hour	3000.00
	Total	10,500.00

APPENDIX

(c) None.

(d) 1 - 105 Compressor with attachments
1 Hoist gasoline powered

Rental on above two pieces 6 months @ 150.00 per.	$900.00
1 Air pump 6 months @ $40.00 per.	240.00
Total	$1140.00

(e) None.

(f)

1 dynamite magazine	$100.00
1 cap magazine	50.00
3,960 gal. gasoline for compressor and hoist for six months period @ $.22 per gal.	871.20
Cylinder oil for compressor and hoist 6 mos. period	50.00
25 cases dynamite for 6 mos. period @ 11.00 per case	275.00
30 boxes caps at $7.50 per box for 6 mo. period	225.00
Total	$1571.20
(g) 25 hour's work with bull dozer @$8.00 per hr. Total	200.00
Grand total	$13,411.20

(h) We would need an allowance to pay for workmen's compensation and employer's liability insurance.

(i) None.

Burleson, Micaapolis, N.C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1954

STATE OF NORTH CAROLINA

COUNTY OF YANCEY

THIS MINING LEASE made and entered into this the 30th. day of November, 1953, by and between E. L. BRIGGS and wife, ELOISE BRIGGS, of the County of Yancey and State of North Carolina, parties of the first part and hereinafter referred to as the Lessors, and ARNOLD THOMAS, J. H. YOUNG, and C. C. BURLESON, of the County of Avery and State of North Carolina, parties of the second part and hereinafter referred to as the Lessees.

W I T N E S S E T H:

That the Lessors, for and in consideration of the performance of the conditions and agreements and the payment of royalty as hereinafter set forth, have bargained, leased and granted and do by these presents bargain, lease and grant unto the Lessees, their heirs and assigns, for a period of 5 years from the date of this Lease, that certain tract or parcel of land located in Yancey County, North Carolina, on the head of Mine Fork Creek, consisting of three hundred (300) acres, more or less, and being known as the Clyde Bailey property.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land for the purpose of mining for minerals only, with the right to go upon said land and explore, dig, quarry, search for and remove mica, feldspar and other minerals which may be found by the Lessees while mining for mica or feldspar, unto the Lessees, their heirs or assigns, for the aforesaid term of 5 years upon full compliance of each and all the following stipulations and agreements and with the right to renew this Lease for an additional period of 5 years at the expiration of this Lease provided that the Lessees have complied with all the stipulations and agreements of this Lease, and provided that all parties can agree upon the terms and conditions of the renewal of said Lease.

1. MINING RIGHTS. The Lessees shall have the right to dig, quarry, search for and obtain mica, feldspar and any other minerals from the above described tract of land, with the right to use timber from said tract of land

LAW OFFICE
E. L. BRIGGS
BRIGGS BLDG.
BURNSVILLE, N. C.

North Carolina,
Yancey County.
Filed for Registration on the 3
day of Dec. 1953 at
2:15 o'clock P.M., and registered
in the Office Register Deeds, and
verified this 18 day of
Dec. 1953 at 2:30
o'clock P.M., in Book 112 of
deeds on page 107 etc.

Evelyn S. Pate
Register of Deeds.

AGREEMENT

OF THE INTERIOR
...nerals Administration
RECEIVED
14 1954

3290

NORTH CAROLINA
Avery County

KNOW ALL MEN BY THESE PRESENTS, that I, Arnold Thomas, of Cranberry Township, Avery County, North Carolina, herewith agree that I am no longer a partner operating with C. C. Burleson and J. H. Young, and that I am not responsible for any machinery or any debts or profits used or made in mining and operating under the mineral lease from E. L. Briggs to myself, C. C. Burleson and J. H. Young, and used and operated by the said C. C. Burleson and J. H. Young. I am no longer a partner and withdraw my interests entirely from the operation, responsibility, and financial gains of the mine opened up by myself, C. C. Burleson, and J. H. Young. The said C. C. Burleson and J. H. Young cannot claim interest, financial or otherwise, in the mining operations conducted under the sub-lease to Tommie Thomas and Henry Thomas, dated December 7, 1953.

This agreement is entered into by ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~ C. C. Burleson, and J. H. Young, WHOSE SEALS ARE AFFIXED.

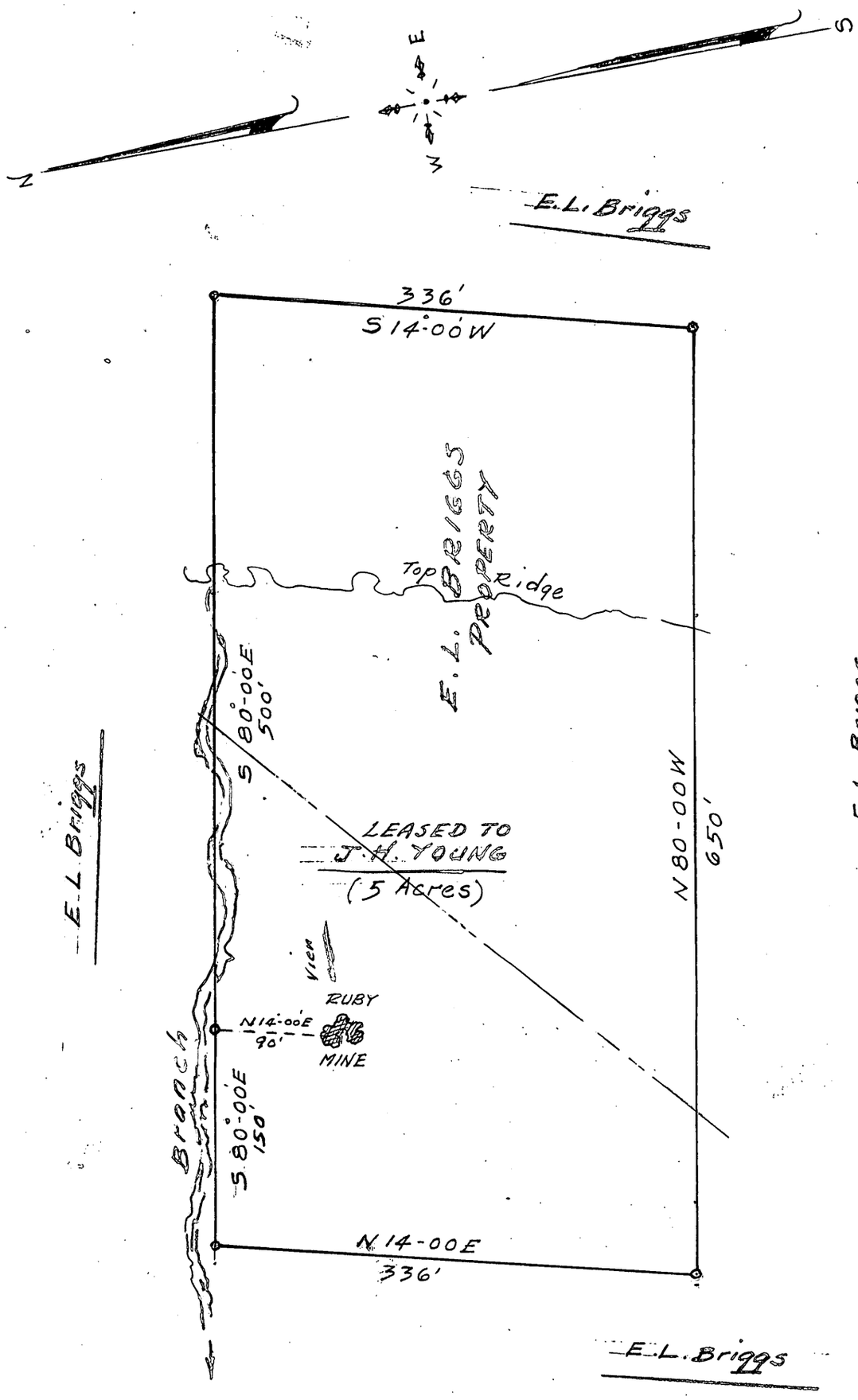
Dated this 7th day of December, 1953.

Arnold Thomas

C. C. Burleson

J. H. Young

Witness: Horton Cooper



Recorded:
Book No 92
On Page 216 & 217

PLAT OF A TRACT OF LAND

ENCLOSING RUBY MINE

ON MINE FORK NEAR TOWN OF BURNSVILLE

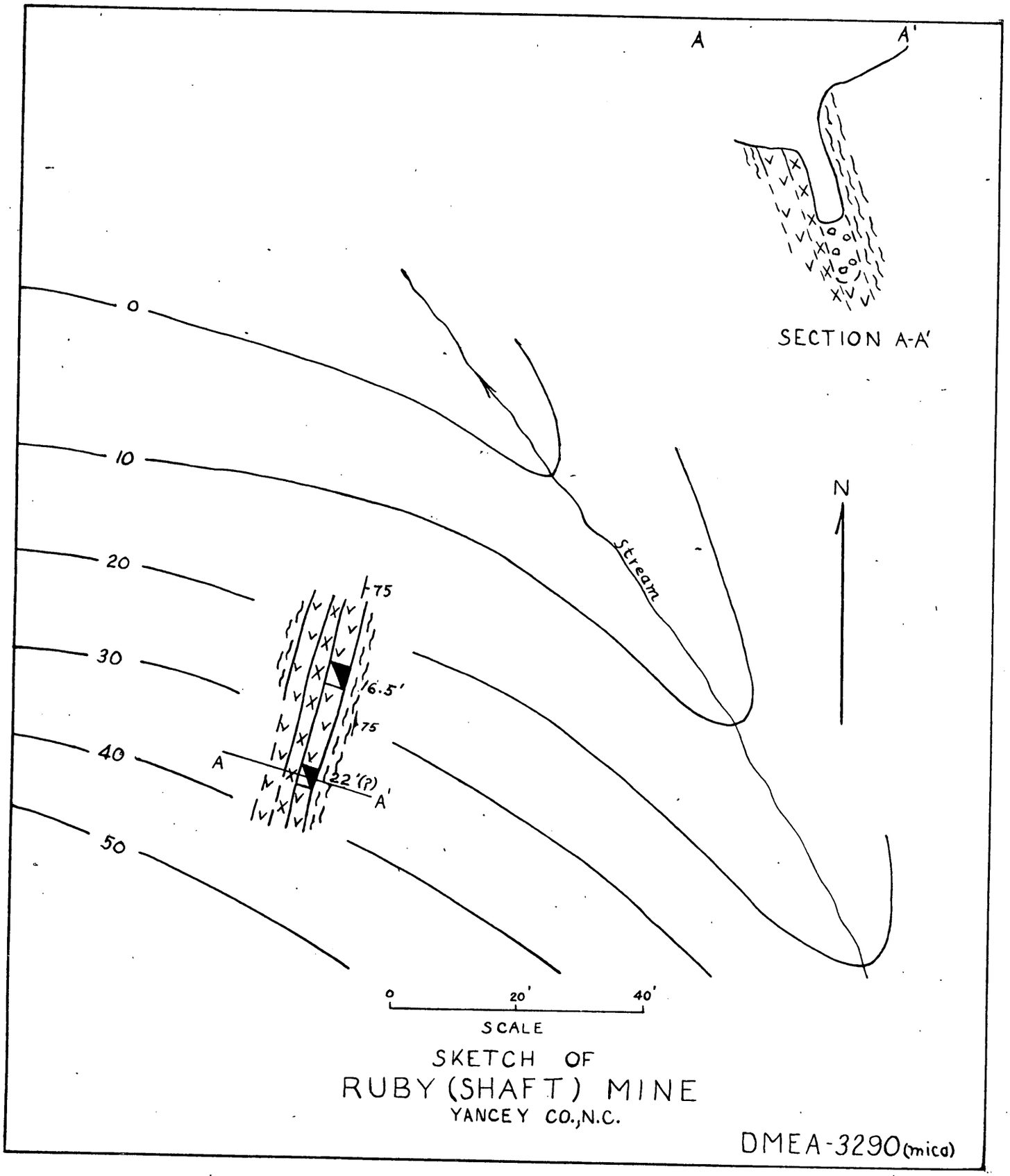
YANCEY COUNTY, N.C.

OWNED BY E. L. BRIGGS

LEASED TO J.H. YOUNG

March 12th, 1954 Scale 1" = 100'

D.M. Sholes, Engineer



SKETCH OF
RUBY (SHAFT) MINE
YANCEY CO., N.C.

DMEA-3290(mica)

BUREAU OF MINES
1201 N. DIVISION STREET
SPOKANE 2, WASHINGTON

OFFICIAL BUSINESS

SPOKANE MAR 13 6 30 PM 1954

2 CENTS 2

MAR 19 1954

5 CENTS 5

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

MF-203

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Yancey, described ~~xxx xxxxxxxxxxx~~ in a lease, dated, the 30th. Day of November, 1953, and recorded in Book No. 112, page ~~xxxx~~ 107, Official Records of said County.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ A. H. Young, and C. C. Burleson, a Partnership, of Avery County, Minneapolis, North Carolina

hereinafter called the "Operator"; and -

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Another O.C.L dated July 6, 1954 was submitted.

Dated this 15th day of March, 1954.

C. C. Burleson [Seal]

Flora Burleson [Seal]

_____ [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of _____, County of _____, described as follows:1/ _____

_____

_____

_____

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ _____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 15th day of March, 1954.

E. L. Briggs [Seal]

Elsie Briggs [Seal]

_____ [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

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(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 25 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of _____, County of _____, described as follows:1/ _____

_____

_____

_____

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ _____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 15 day of March, 1954.

E. J. Bingue [Seal]

Elvira Bingue [Seal]

_____ [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

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MF-203

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of _____, County of _____, described as follows 1/ _____

_____

_____

_____

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ _____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

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3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 15th day of March, 1954.

C L Bentley [Seal]

Elsie Briggs [Seal]

_____ [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ The name of the Operator as it will appear in the exploration project contract.

3/ If production from the land is not required, and in the absence of production there is no lien to repay the Government.

4/ The maximum amount of the Government's contribution.

18264

RELEVANT CONTRACT PROVISIONS

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(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

Interior—Duplicating Section, Washington, D. C.

MF-203

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Yancey, described ~~xxx~~ ~~follows~~ 1/ in a lease, dated, the 30th. Day of November, 1953, and recorded in Book No. 112, page ~~xxx~~ 107, Official Records of said County.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ A. W. Young, and C. C. Burleson, a partnership, of Avery County, Minneapolis, North Carolina

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 15th day of March, 1954.

E. Burleson [Seal]

Eloise Burleson [Seal]

_____ [Seal]

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MF-203

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1954

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2/ A. H. Young, and C. C. Burleson, a Partnership, of Avery County, Minnoapolis, North Carolina

hereinafter called the "Operator"; and

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Dated this 15th day of March, 1954.

C. C. Burleson [Seal]

Eloise Bragg [Seal]

_____ [Seal]

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Insert the maximum amount of the Government's contribution.

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(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

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OFFICIAL FILE COPY

Date	Surname	Code
7/9	Murphy	120
	Selbrede	120
7/9	Talbert	800
"	On leave	110
"	[illegible]	100
		220

JUL 10 1964

Mr. E. L. Briggs

Burnsville, North Carolina

Re: DMEA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract Idm-E679

Dear Mr. Briggs:

Enclosed is a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Owner's Consent to Lien executed by you and your wife on July 6, 1954, under the Defense Minerals Exploration Administration program.

Sincerely yours,

George Furnich, Jr.

Acting Director

Enclosure

MMerrithew/mm
7/8/64
cc: Director's Reading File
Region IV - R. A. Laurence
Docket
120M

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

June 24, 1964

Re: DMEA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, N. C.
Contract Idm-E679

Mr. E. L. Briggs

Burnsville, North Carolina

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 26 1964

DATE	INITIALS	CODE
6/26		800
"		~~110~~
		~~120~~
7/2		500

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

From October 28, 1963, to June 24, 1964

1. ~~XXXXX~~ , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

From October 28, 1963, to June 24, 1964

2. ~~XXXXX~~ , has there been any production from the land subject to the contract? Yes ☐ No ☒

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name [signature] Title Owner of Property

Address Burnsville, N.C. Date 6-25-64

4511

OFFICIAL FILE COPY

Date	Surname	Code
11/27	GCS	120
11/27	[illegible]	220

NOV 27 1963

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary

From: Chief, Division of Field Operations, OME

Subject: IMRA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract Idm-E679

Enclosed for your files is the original of a Report of Royalty Review, dated November 6, 1963, on the subject contract.

George C. Selfridge (gla)

Enclosure

GCSelfridge/gla (11-27-63)
cc to: Director's Reading File
CA&A Division
Docket
G.C.Selfridge
R. A. Laurence, USGS, Reg. IV, w/cy of Report of Royalty Review dtd 11/6/63 & Orig. cy of memo dtd 11/21/63 to Chief, Div. of Field Operations from CA&A Division.
Avery Reed, USBM, Reg. IV, w/cy of each item sent to Mr. Laurence

23263

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

NOV 21 1963

Memorandum

To: Chief, Division of Field Operations

From: E. D. Talbert, Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract Idm-E679

Enclosed are the original and two copies of a Report of Royalty Review covering the subject Region IV contract. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Management Operations, Office of the Secretary; and

(b) Two copies to Region IV files.

This report is for OME record purposes only; therefore, no copy has been provided for the Operator.

As evidence of your concurrence, a copy of your memorandum transmitting the original of the report to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 11-20-63

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

October 25, 1963

OFFICIAL FILE COPY

O. M. E
RECEIVED OCT 29 1963

DATE	INITIALS	CODE
10/29		800
		100
10/29		~~10~~
10/30		~~500~~
		220

Re: DMRA-3290 (Mico)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, N. C.
Contract Idm-E679

Mr. E. L. Briggs
Burnsville, North Carolina

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

F. M. Murphy, Acting Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since July 30, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since July 30, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name E.L.Briggs E L Briggs Title Owner of Land , Lessor

Address Burnsville, N.C. Date 10-28-63

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

July 27, 1962

Re: DMEA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, N. C.
Contract Idm-2079

Mr. E. L. Briggs

Burnsville, North Carolina

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 17 1962

DATE	INITIALS	CODE
8/20		800
		100
8/17		110
8/20		500 ✓
		220

Dear Mr. Briggs:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 1, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since March 1, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name E. L. Burgess Title owner

Address Brookville NC Date 7-30-62

RECEIVED
AUG 8 - 1962
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 31 1962

DATE	INITIALS	CODE
7/31		800
7-31		100
7/31		110
7/31		500
8/7		500
		220

July 27, 1962

Re: DMEA-32900 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, N. C.
Contract Idm-5679

Mr. E. L. Briggs

Burnsville, North Carolina

Dear Mr. Briggs:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 1, 1961 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since March 1, 1961 , has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name [illegible] Title owner

Address Burnsville NC Date 7-30-62

4511

MMS Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		80[illegible]
		500
		120
		1[illegible]
		10[illegible]
		220

[illegible] purchase
[illegible] North
[illegible] production
[illegible] would not
[illegible] for the fol-

[illegible] Reid-Mary,
[illegible] Reid-Mary,
[illegible] Stevens)
[illegible] L. Barnard
[illegible] Turley
[illegible] Little Sam
[illegible] (Sanders)
[illegible] Peterson
[illegible] Tallent (Talent)
[illegible] Shaft
[illegible] Clifton

REQUEST FOR INFORMATION
FROM OPERATOR ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

From: Chief, Division of Field Operations
~~Field Officer, OME~~
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

Date: February 27, 1961

Concerning:
Docket No. DMEA-3290 (Mica)
Property Ruby Mine
C. C. Burleson, Assignee
Location Yancey County, North Carolina
Contract Item E6[illegible]

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 2 1961

DATE	INITIALS	
3-2	gad	VVO
3/2	[illegible]	800
"	[illegible]	500
	S.P.H.	220

Mr. E. L. Briggs

Burnsville, North Carolina

With the certification of the exploration project identified above, you were asked to inform our office about changes in the status of the property and production from it.

To assist you to furnish this information and to assure the accuracy of our records, we ask that you answer the questions below and return ~~one copy~~ two copies to this office with copies of any pertinent documents.

George C. Selfridge
~~Field Officer~~
Chief, Division of Field Operations

1. Since January 1, 1959, has there been a change in ownership, lease, or sublease about which the OME has not been notified? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents. Yes ☐ No ☑

2. Since January 1, 1959, has there been any production from the property?* Yes ☐ No ☒

A. If so and it was shipped, give name and address of purchaser?

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

Submitted by:

Name E L Briggs Title Owner

Address Burnsville N.C. Date 3-1-61

MME Form 63 8-60 * Property means land subject to the contract. 79340-60

Copy to Reg. IV

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 26 1960

DATE	INITIALS	CODE
9-26	gad	220
	[illegible]	800
9/28	[illegible]	500
		225

REGION IV

SEP 26 1960

Mr. C. C. Burleson, Assignee

Minneapolis, North Carolina

Re: DMEA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract Idm-B679

Dear Mr. Burleson:

Enclosed for your records is a copy of a Report of Royalty Review by the Division of Contract Administration and Audit in which I concur.

Sincerely yours,

Lawrence G. Houk

Lawrence G. Houk
Acting Field Officer, Region IV

Enclosure

LGHouk:gad 9/19/60
Copy to: Wash. Off. (2)
Region IV (2)
Mr. Houk

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 26 1960

DATE	INITIALS	CODE
9-26	gad	VVO
		800
9/28		

REGION IV

SEP 26 1960

Memorandum

To: Fiscal Section

From: Acting Field Officer, Region IV

Subject: DMEA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract Idm-3679

Attached is the original of the Report of Royalty Review by the Contract Administration and Audit Division, OME, on the above project, in which I concur.

Lawrence G. Houk

Attachment

LGHouk:gad 9/19/60

Copy to: Wash. Office (2)
Region IV (2)
Mr. Houk

ME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
9-19	gad	220
		500
		225

SEP 19 1960

Memorandum

To: Acting Field Officer, Region IV
/s/ C. E. Fisher for

From: E. D. Talbert, Acting Chief
Contract Administration and Audit Division

Subject: DMEA-3290 (Mica)
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract Idm-E679

Attached are the original and two copies of a Report of Royalty Review on the above cited project. If you concur in the facts stated in the report distribution should be made as follows:

(a) Original of the report to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.;
(b) One copy to the Operator; and
(c) One copy for your file.

As evidence of your concurrence a copy of your letter transmitting the Operator's copy should be furnished to this Division. If for any reason you do not concur, the original and both copies of the report should be returned to this Division with your comments.

Attachments

CEFisher/ama
September 19, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 4 1959

DATE	INITIALS	CODE
2-4	C	220
		600

February 2, 1959

Memorandum

To: Finance Officer, Region V - (OME) Norris, Tenn.

From: Executive Officer, OME - Region V - Knoxville, Tenn.

Subject: Royalty Payment - DMEA-3290, Idm-E679-mica.
Ruby Mine, Yancey County, North Carolina

Mica sales from production from land covered by Contract Idm-E679, Docket No. DMEA-3290, on which royalty of $41.45 was paid to William A. Beck by E. L. Briggs, land owner. Check No.6006, dated January 29, 1959, attached.

Hand cobbed mica

Date	Lot No.	Pounds	Prelim. payment	Final	Total
3-28-58	187	2005.00	--- -----	$ 69.09	$69.09
5-20-58	235	2175.00	$314.82	227.77	542.59
6-3-58	244	1160.00	148.14	- 31.23	116.91

Block or sheet mica

5-20-58	995	7.81	62.61	37.88	100.49

829.08
x.05
Royalty.... $ 41.4540

Pseudo

Robert A. Laurence

F. Johnson, OME
Lynch-files

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 18 1959

DATE	INITIALS	CODE
2-18	C	220
		110
2/19		800
		225

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT OF PSEUDO CERTIFIED PROJECT

Reporting Period: July 1,1958 to January 1, 1959.

Operator: J. H. Young and C. C. Burleson. Last operated by Terry Mica Mines, Inc.

Mine Name: Ruby. Called "Cheri-Lee" by Terry Mica Mines, Inc.

County: Yancey. State: North Carolina. Commodity: Mica

Docket No.: 3290. Contract: Idm-E679. Contract Date: June 24, 1954.

Date Pseudo Certified: Termination Agreement dated December 29,1955.

Expiration date of royalty payments: June 24, 1964.

Total of Contract: $3,262.50. Expended under Contract: $737.00

Amount of Gov't participation at 75%...$552.75.

Royalty Paid this period: $41.45. Previously Paid: $50.98.

Royalty Paid to date: $92.43.

Percent Gov't participation repaid:...16.7%. Royalty due: None

Royalty Remarks: The writer conferred with E. L. Briggs in regard to royalty due on production from this mine. When told of the amount of royalty still due he wrote a check for $41.45 and paid it up in full.

Original Estimate of DMEA Reserves (Field Team Final Report)
None given.

DMEA Production to date:

Type mica	Pounds	Value
Sheet	35.19	$419.39
Hand cobbed	6,740.00	1,407.85
Scrap	1,430.00	21.30
Total	8,205.19	$1,848.54

Remarks: The mine was not in operation during this period but the final settlement on two sales of hand cobbed mica was not previously reported and is included in the value above.

Wm A Beck

Wm. A. Beck, Mining Engineer
Bureau of Mines - OME

z

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT ON PSEUDO CERTIFIED PROJECT

Reporting Period: January 1, 1958 to July 1, 1958. Examined: 9-17-58

Operator: J.H. Young and C.C. Burleson. Last operated by Terry Mica Mines, Inc.

Mine Name: Ruby (Cheri-Lee). County: Yancey. State: No. Carolina

Docket No. DMEA-3290. Contract No. Idm-E679. Commodity: Mica

Contract date: June 24, 1954. Date Pseudo Certified: 12/29/55

Expiration of Royalty Payments: June 24, 1964.

Total Amount of Contract: $3,262.50. Total Expended: $737.00

Government Participation at 75%---$552.75

Royalty Payments this period: $40.79. Previously Paid: $10.19

Royalty Paid to date: $50.98

Government Participation Repaid: 9.22%

Royalty due on production to date: $31.63, plus or minus royalty on final settlements on two sales of hand cobbed mica.

ROYALTY REMARKS: The writer conferred with E. L. Briggs in regard to royalty due. He was cognizant of the above royalty being due and said he would pay it when the value of final settlements on thetwo sales of hand cobbed mica was known. These sales were made May 20, 1958 and June 3, 1958. The GSA Depot has been receiving so much "hand cobbed" mica that processing is way behind. Final returns are not received for between four and five months from the date of the sale.

	Type mica	Pounds	Value
DMEA Production (this period)	Sheet	18.31	$215.59
	Hand cobbed	6740.00	1211.31*
	Scrap	1430.00	21.30
	Total	8188.31	$1448.20
DMEA Production (previous)	Sheet	16.88	203.80

DMEA Production (to date)

Type	Pounds	Value
Sheet	35.19	$ 419.39
Hand cobbed	6,740.00	1,211.31*
Scrap	1,430.00	21.30
Total	8,205.19	$1,652.00

* Does not include Final Settlement on two sales.

Remarks: Terry Mica Mines Inc., who were operating the mine gave it up in June because the quality of the mica was not good. Most of the mica was very locky and was hard to process.

Wm. A. Beck, Mining Engineer
Bureau of Mines

September 26, 1958

z

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

6/16 6/16 C Lynch 220 600

June 13, 1958

Memorandum

To: Finance Officer, Region V (DMEA) Norris, Tennessee

From: Acting Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - DMEA-3290, Idm-E679-mica.
Ruby Mine, Yancey County, N.C.

Attached is a sheet showing a sale of mica to the GSA Depot in Spruce Pine, North Carolina and a check for 5% royalty on the sale for $19.79 to be credited to the contract.

V. J. Lynch

zm.
cc
Mittendorf
Lynch
Files

ck. no.5265
5/28/58 $19.79

Royalty payment of $19.79 by E.L. Boggs for sales of mica made by Terry Mica Mines Inc. from production at the Ruby Mine DMEA-3390, Inv-EC-19

Below are the sales on which royalty was paid:-

To Government Depot Block Mica (Ruby)

Date	Rel	Pounds	Prelim. Payment	Final Payment	Total
4-18-58	903	10.50	$61.73	$53.37	$115.10

Hand Cobbed Mica

3-25-58	187	2005.00	$259.26	—	$259.26

Scrap mica to Dunham Mica Co.

3-25-58	1420 pounds @ $30.00/ton	$21.30
	Total	$395.66
		x .05
	Royalty —	$19.7830

DMEA

4/21	cc	1220
4/22	Horn	600

April 17, 1958

Memorandum

To: Finance Officer - Region V - DMEA (Norris)

From: Acting Executive Officer, DMEA - Region V -

Subject: Royalty Payment - DMEA-3290, Idm-E679-mica
Ruby Mine, Yancey County, North Carolina

Transmitted is a royalty check in the amount of $21.00 for 1400 pounds of hand cobbed mica sold to Mrs. T. B. Vance, Sr., Plumtree, North Carolina.

1400 lbs. @ 30¢ =$420.00 x 5%= $21.00

A letter from Mr. E. L. Briggs attached.

V. J. Lynch

sm.
cc
Lynch
Mittendorf
Files

E L BRIGGS
ATTORNEY AT LAW
BURNSVILLE, N. C.

TELEPHONE 46

April 16th, 1958.

Mr. Robert A. Lawrence
Room 13 Post Office Bldg.
Knoxville 2, Tenn.

Re- Ruby Mica Mine.
DMEA. 3290

Dear sir;

I leased this mine to the Terry Mica Mines and Consolidated Ventures, Inc. and to date they have sold and paid me royalty on $420.00 of mica.

Here is a check made payable to me for $21.00 which is 5% of the $420.00 they have paid me royalty on.

Mr. Beck will know about this and can explain same to you, they have sold some more mica but have not been paid in full for same by the DMEA at Spruce Pine, N.C.

Thanks for all past favors, I am.

Yours, Truly,
E.L.Briggs

RECEIVED 26

DEFENSE MINERALS EXPLORATION
PROJECT

3/26 C 220
3/26 Com 100
4 731 110
3/27 628 800
225

Semi-Annual Report of Pseudo Certified Project

DMEA-3290, Idm-E679(mica) RUBY MINE
Yancey County, North Carolina

Operator: C. C. Burleson, Minneapolis, North Carolina
Presently operated by Terry Mica Mines, Inc.

Reporting Period: July 1, 1957 to January 1, 1958

Operations resumed about March 5, 1958 on the subject property, by Terry Mica Mines, Inc., a subsidiary of Consolidated Ventures, Inc., 1003 "K" St. NW., Washington, D. C. They are cognizant of the Government's lien on the property as E. L. Briggs, the property owner, has so stated in their lease.

The mine was visited March 12, 1958 with Nicholas Raschella, Manager of the mica and feldspar operations of the organization. An open cut was being started on the pegmatite about 50 feet north of the DMEA shaft and at an elevation about 30 feet below the collar of that shaft. To date they have recovered about 500 pounds of mine-run mica. The mica appears to be excellent quality and is ruby in sizes up to 6" x 8" in size.

Wm. A. Beck, Mining Engineer
Bureau of Mines (DMEA)

z

11/7	gb	220

EXPLORATION PROJECT

Semi-Annual Report of Certified Project

DMEA-3290, Idm-E679, (mica) RUBY MINE
Yancey County, N. C.

Reporting Period: 1-1-57 to 7-1-57

Operator: C. C. Burleson, Minneapolis, North Carolina

Mr. E. L. Briggs, owner of the above property, told the writer on October 23, 1957 the mine was not being operated and was not leased to anyone.

Wm. A. Beck

Wm. A. Beck, Mining Engineer
Bureau of Mines

Z

Semi-Annual Report on Pseudo Certified Project

Reporting Period: 1-1-56 to 1-1-57. Date of Examination: 4-10-57

Operators: J. H. Young and C. C. Burleson, C.C. Burleson, Assignee
Minneapolis, N.C.

Mine Name: Ruby County: Yancey. State: North Carolina

Docket No. DMEA-3290. Commodity: Mica

Contract No. Idm-E679

Date of Contract: June 24, 1954

Date of Pseudo Certification Termination Agreement: 12-29-55

Expiration Date of Royalty Payments: June 24, 1964

Total Amount of Contract: $3,262.50

Total Expenditures under Contract: $737.00

Amount of Government Participation at 75% $552.75

Royalty Payments this Period: None

Previous Royalty Payments: $10.19

Total Royalty Payments to Date: $10.19

Percent Government Participation Repaid: 1.84%

Royalty Due on Production to Date: None

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 16 1957

DATE	INITIALS	CODE
5/14		
15		220
		100

Royalty Remarks: Mine has not been in production since termination of the contract.

Original Estimate of DMEA Reserves(Field Team Final Report) None Given

Total DMEA Production todate: Sheet Mica, 16.88 lbs. valued @ $203.80

Remarks: The writer called on E.L.Briggs, owner of the property on which the Ruby Mine is located, April 10, 1957. He stated the mine was not in operation at the present time and that no one has a lease on the property now. No attempt was made to visit the property as it is only accessible over a one and one-half mile jeep road. A visit will be made to the property this summer when the weather is dry.

Wm. A. Beck

Wm. A. Beck, Mining Engineer, USBM

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Robert Sawyer
Chamber
Kylander

MAY 25 1956

Mr. E. L. Briggs

Burnsville, North Carolina

Re: Docket No. DMEA-3290 (Mica)
Young and Burleson
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Dear Mr. Briggs:

In an agreement executed December 29, 1955, with the Government, Mr. C. C. Burleson, assignee of the subject contract, agreed to pay royalty to the Government, as provided in the contract, on all production of minerals from the land described in said contract beginning June 24, 1954, until the sum of $552.75 is paid or until June 24, 1964, whichever occurs first. You understand that the Owner's Consent to Lien, dated July 6, 1954, and signed by you and Eloise Briggs, granted to the Government a lien upon said land and upon any production of minerals therefrom to secure any royalty due the Government.

You are requested to notify Mr. Laurence of any change in the lease status that affects the Government's right to royalty. In this regard, we have been informed that your present lease to D. W. Burleson of the property in question specifies that the lessee is required to pay a 5-percent royalty to the Government. We would appreciate your furnishing us with a copy of this lease.

In the event production is made and royalty is not received by the Government, the Government may look to you for payment.

Sincerely yours,

O Whitteadey

Administrator

RECEIVED
MAY 28 1956

This lease to D.W. Burleson is dead and is of no futher effect, he never did mine the Ruby mine any and there has been no production from same since C.C. Burleson and J.H. Young ceased operations in same several months ago. I will furnish you with any lease I make in the future on this mine and will see to it that your 5% is collected if this mine is worked.

E.L.Briggs

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

MAY 28 1956

Mr. J. H. Young

Minneapolis, North Carolina

Re: Docket No. DMEA-3290 (Mica)
Young and Burleson
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-8679

Dear Mr. Young:

Reference is made to the subject contract which was assigned by you to Mr. C. C. Burleson, and later terminated on December 29, 1955, by his agreement with the Government. You are reminded that the Government consented to this assignment expressly without releasing you from any terms of the contract, and that in the assignment you consented in advance to all amendments of the contract.

By the terms of the Exploration Project Contract and the Termination Agreement, all production of minerals from the land described in the contract from June 24, 1954, is subject to the Government's percentage royalty as set forth in the contract until the sum of $532.75 is paid or until June 24, 1964, whichever occurs first. Therefore, even if you are not the producer, you remain liable as surety for payment of said royalty.

The Government acknowledges receipt of your payment of the amount of $18.19 on the sale of $203.80 worth of mica to the Government's Mica Purchase Depot on August 16, 1954. The Government may continue to look to you for payment of royalty if it is not paid by the producer.

Sincerely yours,

G. O. Mittendorf

Administrator

LGHouk/HCRubin/emd 5/14/56
Copy to: DMEA Docket
Adm. R. File
Op. Committee
Mr. Kiilsgaard, Rm. 5222
Mr. Dietrich, Rm. 3061
Mr. Houk
Mr. Anderson
Mr. Rubin
Mr. Dwyer
Field Team, Reg. V (2)
chron,
pending

Rubin
Anderson
Houk
Chandler
Fitzpatrick

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

140

MAY 25 1956

Mr. C. C. Burleson

Minneapolis, North Carolina

Re: Docket No. DMEA-3290 (Mica)
Young and Burleson
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-8679

Dear Mr. Burleson:

Reference is made to the subject contract, which was terminated by mutual agreement on December 29, 1955.

By the terms of the Exploration Project Contract and the Termination Agreement all production of minerals from the land described in the contract from June 24, 1954, is subject to the Government's percentage royalty as set forth in the contract until the sum of $352.75 is paid or until June 24, 1964, whichever occurs first. Therefore, even if you are not the producer you remain liable as surety for payment of said royalty. The Government has received to date a total royalty of $10.19 on $283.80 worth of mica sold to the Government Mica Purchase Depot on August 16, 1954, paid by Mr. J. H. Young.

Royalty payments should be made to Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, and checks should be drawn payable to the Defense Minerals Exploration Administration.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

Sincerely yours,

G. O. Mittendorf

Administrator

LGHouk/HCRubin/emd
5/14/56
Copy to: DMEA Docket
Adm. R. File
Operating Committee
Mr. Kiilsgaard, Rm. 5222
Mr. Dietrich, Rm. 3061 F. T., Reg. V(2)
Mr. Houk
Mr. Anderson
Mr. Dwyer
Mr. Rubin chron. per

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
MAR 16 1956

March 15, 1956

Re: DMEA 3290, Idm-#679
C. C. Burleson and J. N. Young
Ruby Mine
Yancey County, North Carolina
$4,350.00 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Final Field Team report.

The contract approved the expenditure of $4,350.00 on reconditioning a shallow shaft, sinking and drifting.

The work ended with the reconditioning and sinking 20 feet, the cost allowed being $737.00.

More than 2,000 pounds of mica was produced and sales amounted to $203.80 on which royalty of $10.19 was collected.

The examiners and Field Team recommended certification and termination of the contract.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-3/15/56
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM SHIPPING BLDG. POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
FEB - 1 1956

January 30, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Executive Officer, DMEA - Region V

Subject: Royalty payment - Idm-E679, DMEA-3290 (mica) Young & Burleson

Transmitted is a bill-of-sale in the amount of $203.80, mica sold from the subject operator, and $10.19 in cash for royalty on the sale.

Robert A. Laurence

mm

cc:

Lynch
Shirley
Mittendorf
Files

Copy

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. 1119A Acceptance No. 326 Date: 8-16-54

Seller: Young & Burleson

Mine: Ruby

DMEA No. 3290, Ddw E679

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger						
No. 4 and 5					$70.00	
No. 5½ and 6				.90	$40.00	36.00
Stained				8.61	$15.00	129.15
No. 3 and larger		$12.00				
No. 4 and 5		$ 5.00			$18.00	
No. 5½ and 6		$ 3.00		.60	$ 8.00	4.80
Heavy Stained				6.77	$ 5.00	33.85
No. 3 & larger		$ 8.00				
No. 4 and 5		$ 4.00			$13.00	
No. 5½ and 6		$ 2.00			$ 6.00	
LOT TOTALS					$ 3.00	
TOTAL				16.88		
						203.80

Cash Paid for royalty $10.19

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

RECEIVED
FEB - 1 1956
ROOM POST OFFICE BLDG.

January 30, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DM A - Region V

Subject: Termination Agreement - DMEA-3290, Idm-E679 (mica)
C. C. Burleson, Assignee. Ruby Mine, North Carolina

Transmitted are three signed copies of the subject termination agreement signed by the Operator.

The usual distribution of the other copies has been made by this office.

Robert A. Laurence

Robert A. Laurence

INTERIM REPORT

DMEA-3290, Idm-E679 (mica) RUBY (Shaft) MINE

Operator: C. C. Burleson, Assignee, Minneapolis, North Carolina

Location: One airline mile S 58° E of the Mine Fork School, Yancey County, North Carolina.

Accompanied by C. E. Fisher, DMEA Auditor, the writer called on C. C. Burleson at the home of his daughter in Minneapolis, N. C., on January 30, 1956 to ascertain the reason why he had not returned the termination agreement forms mailed him January 4, 1956 by Mr. R. A. Laurence, Executive Officer, Region V, Field Team. He stated that he had been ill and planned on doing it the next day. He signed the forms while we were there.

Mr. Burleson was asked when we could expect payment of $10.19 royalty on the $203.80 worth of mica sold the Government Mica Buying Depot by Young & Burleson on August 16, 1954. He stated that he had no money but perhaps Mr. J. H. Young, who was his partner at the start of the contract, would pay it. We contacted Mr. Young at his home. He stated he would pay it when the Government paid him the $300 it owed him on the last voucher he sent in. It was explained to him that they had broken their contract and that was the reason the voucher was never paid. Mr. Young said he went broke when working on the contract and could not continue. He then went into the lumber business and made some money. He took $10.25 out of his pocket and wanted to pay the $10.19 royalty. As a bird in the hand is worth two in the bush we took it and give him a receipt and six cents change.

On January 27, we called on Mr. E. L. Briggs at his office in Burnsville, N. C., to advise him that the Government had a 10 year lien on the Ruby Mine property which he owns. He stated that he now has the property leased to D. W. Burleson of Minneapolis, N. C., and has stipulated in the lease that the Government is entitled to a 5% royalty on any production from the property. No work has been done on the property by the new lessee.

January 27,1956

Wm. A. Beck, Mining Engineer
Bureau of Mines

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 SHINGLE POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED JAN 6 1956

January 4, 1956

Mr. C. C. Burleson

Minneapolis, N. C.

Re: DMEA-3290, Idm-E679 (mica)
Young & Burleson
C. C. Burleson, Assignee
Ruby Mine, Yancey County, N. C.

Dear Mr. Burleson:

In order to conclude the subject exploration contract, I enclose, for your signature, six copies of a termination agreement. As the work authorized under the contract has not been completed, even though requested on several occasions, we have no alternative but to terminate the contract.

This form provides for termination by mutual agreement, provided you agree to pay to the Government royalty on any production of minerals from the property from June 24, 1954 until June 24, 1964, or until the total contribution of the Government ($552.75) has been repaid, regardless of who is the producer. If the agreement is not signed within 30 days, or a satisfactory settlement arranged, it will be necessary to rescind the contract and demand repayment of all Government funds contributed to the contract.

Therefore, please sign all six copies of this form, keep the "Operator's Copy" and return all the others to me, as soon as possible.

We understand that at least one sale of mica, in the amount of $203.80, has been made after the date of the contract. Therefore, please send a check for $10.19 for royalty on this sale, and if any other sales have been made, include 5 percent of the amount of such sales also.

Very truly yours,

Robert A. Laurence,
Executive Officer, DMEA Field Team
Region V

RAL/sm
cc:
Opr. Com.-2
Lynch
Shirley - Files

DOCKET FILE
Surname: Selfridge

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

DEC 29 1955

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3290 - Mica
Young and Burleson
C. C. Burleson, Assignee
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-8679

Dear Mr. Laurence:

Transmitted herewith are the original and five copies of a termination agreement signed by the Government, which pursuant to your recommendation contains a certification by agreement clause.

If this termination agreement has your approval, present it to the Operator for his signature. Explain to the Operator that since he has not, as requested on several occasions, completed the work set forth in the contract or repaid the Government's contribution thereto, we have no alternative but to terminate the contract. However, we are willing to terminate by mutual agreement provided he will agree to pay to the Government royalty on any production from the property for the period June 24, 1954, the date of the contract, until June 24, 1964, or until the total contribution of the Government has been repaid, regardless of who is the producer. Advise him that if he does not sign within a reasonable time (30 days) or arrange for a satisfactory settlement, the contract will be rescinded and demand made for the repayment of all Government funds contributed to the contract.

The August, 1954, voucher for ten feet of shaft sinking will remain unpaid as the Operator did not resume work as requested.

We note that a sale of mica was made after the date of the contract for $203.80. Please have the Field Team check if any other sales have been made, since this sale does not account for all the mica produced.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 6

WCAnderson:ad 12/27/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 600

December 9, 1955

Memorandum

To: Mr. C. O. Mittendorf

From: Walter C. Anderson, Nonmetallic Minerals Division

Subject: Termination Agreement - Docket No. DMEA-3290 - Mica
Young and Burleson
Assignee C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Comments:

We have explored the possibility and can find no justification for certifying this project pursuant to the Field Team's recommendation. Only ten feet of new shaft has been paid for. On the basis of the small amount of work done, the Field Team is unable to make an estimate of mica reserves, which at best are very limited. About 2,000 pounds of mica (value unknown) were recovered during operation. Mica at the bottom of the shaft where the pegmatite flattens out is of very poor quality, being badly cracked and ruled.

It has been our policy in the past for cases like this where the Operator has abandoned the project before completion to offer him a termination agreement containing a "certification by agreement" clause to protect the Government's interest. If he was unwilling to go along, he was informed that our only alternative then was to rescind the contract and demand full payment of Government funds contributed to the project.

In fairness to all the operators under these conditions, we believe this is the equitable way to dispose of the subject docket. Our letter transmitting the termination agreement to the field will contain instructions to advise the operator concerning the provisions of the document and the alternative of rescission if the termination agreement is not acceptable.

Docket Summary

3/23/54 Application (MF-103) received.
Work proposed - deepen existing shaft 50 feet and 50 feet of drifts.
Amount requested - $13,411.20

6/24/54 Date of contract.

Work authorized:

Buildings	$113.00
Recondition shaft	237.00
35 feet of shaft @ $50.00/ft.	1,750.00
75 feet of drifts @ $30.00/ft.	2,250.00
Total estimated cost	$4,350.00
Government participation	$3,262.50

Work completed - paid for.

Buildings	$113.00
Recondition shaft	237.00
10 feet of shaft @ $50.00/ft.	500.00
Total	$737.00
Government participation	$552.75

Work completed - not paid for.

13 feet of shaft @ $50.00	$625.00

7/15/54 Starting date of contract.

8/26/54 Last Field Team Interim Report of exploration progress.

9/15/54 Field Team letter to Operators inquiring why they suddenly abandoned and removed all equipment.

9/22/54 Burleson letter blaming partner for abandonment and suggesting carrying out work alone.

11/4/54 Date of assignment of Young's interest in contract to C. C. Burleson. No work done under Assignee C. C. Burleson.

2/4/55 Our letter to C. C. Burleson advising that if time extension amendment was not requested and did not return to work, contract would be in default in which case we may rescind the contract and demand repayment of Government contribution.

4/13/55	Transmitted - assignment, C. C. Burleson to Hoover and Grindstaff which they did not accept.
9/13/55	Our letter to field suggesting that since the project has been idle for a long time and there is no sign of any interest in the project by the Operator, the contract be terminated immediately.
9/16/55	Field Team memorandum recommending termination and pseudo-certification.
11/16/55	After two telephone conversations with the Washington Office, the Field Team recommended certification and termination by unilateral action.

Docket Copy
Surname:
Anderson
Houk
Jefferson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

December 6, 1955

Memorandum

To: Mr. Robert Dwyer, Associate Solicitor

From: C. O. Mittendorf, Administrator, DMEA

Subject: Termination Agreement - Docket No. DMEA-3290 - Mica
Young and Burleson
Assignee C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Please prepare a termination agreement, effective August 1, 1954, containing a "pseudo-certification" clause which provides that the Operator will be liable for royalty on any production from the property from June 24, 1954, to June 24, 1964, or until the total contribution of the Government has been repaid, regardless of who is the producer. Please note that this contract is on an old form and contains the abandonment clause.

C. O. Mittendorf
(By EST)
C. C. Mittendorf
Administrator

WCAnderson:gad 12/6/55
Copy to: Admr. R. File
Docket
Mr. Houk
Mr. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

RECEIVED
DEC - 1 1955

November 30, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3290 (mica)

Applicant: Young and Burleson

Name and Location of Property: Ruby Mine, Yancey County, N. C.

Contract Number: Idm-E 679

Date of Field Team Report: 11/9/55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 11/21/55

Field Team Recommendation: Recommend certification of discovery.

Comments:

1. The project was abandoned prior to fulfillment of the contract.

2. More than 2,000 pounds of mica was recovered during exploration.

3. It was estimated that the pegmatite contains about 40 pounds of mica per cubic yard.

Recommendation: I concur with the field team recommendation for certification of discovery.

W. F. Dietrich

W. F. Dietrich

RECEIVED
DEC - 1 1955

INTERIM REPORT

DMEA-3290, Idm-E679 RUBY (Shaft) MINE
(mica)

Operator: C. C. Burleson, Minneapolis, North Carolina

Location: One airline mile S. 58° E. of the Mine Fork School, Yancey County, North Carolina

A check was made November 15, 1955 at the Spruce Pine Mica Depot of sales made from the subject mine. It was found that J. H. Young and C. C. Burleson made a sale amounting to $203.80 after the date of the contract, June 24, 1954. No royalty has been paid the Government on this sale.

Mr. Burleson was visited at the home of his sister where he was sick in bed. He was advised that royalty amounting to $10.19 was due on the above sale and he promised to send a check as soon ad possible.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

November 15, 1955

s

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
~~KNOXVILLE, TENNESSEE~~
KNOXVILLE, TENNESSEE

RECEIVED
NOV 16 1955

November 14, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville

Subject: Final Field Team Report, DMEA-3290, (mica) C. C. Burleson, Minneapolis, N. C. Ruby Mine - Yancey County, N.C.

E 699

Enclosed are four copies of the subject final report. Although this job was abandoned after only 20 feet of new shaft-sinking, we think a certification of discovery can be issued, and recommend that one be issued. No practical reserve estimate can be made at this time.

FINAL F.T. Rpt.

We recommend that the contract be terminated, effective July 31, 1954 by unilateral action.

Apparently some mica from this project was sold, but we have never received any royalties, nor have we found any record of the sale. Mr. C. E. Fisher, Auditor from the Washington office and Mr. Beck will investigate this when they are in Spruce Pine this week.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

11/21/55

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

RECEIVED
NOV 16 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION V

FINAL REPORT

DMEA-3290, Idm-E679 (mica) RUBY MINE
Yancey County, North Carolina

By

Kefton H. Teague, Geologist
U. S. Geological Survey

and

Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

November 9, 1955

Reviewed by
DMEA OFFICE OF MINES
11/21/55
(date)

FINAL REPORT

RECEIVED
NOV 16 1955

DMEA-3290 (mica) RUBY MINE
Idm-E679, N. C.

Operator: J. H. Young and C. C. Burleson - Assignee C. S. Burleson, Minneapolis, North Carolina

Location: One airline mile S. 58° E. of Mine Fork School, Yancey County, N.C.

Only a part of the project as provided for in the contract was completed. The Operator abandoned the project and attempts to get him to resume operations were unsuccessful. Additional exploration is justified as during the project more than 2000 pounds of mica were recovered. The Field Team believes the deposit can be worked economically; therefore, a lien should be retained on it to the extent of the Government's share of cost.

This project began July 15, 1954 and was abandoned about August 26, 1954. Work accomplished consisted of the reconditioning of an existing 22-foot inclined shaft and deepening the incline an additional 20 feet. Only 10 feet of new work was paid for as the Operator abandoned the project before the remaining footage was vouchered. All new sinking was in pegmatite.

A zoned pegmatite, 8 - 12.5 feet thick, striking N. 10° E. and dipping 75° SE was explored. It is conformable to the mixed mica and hornblende gneiss country rock. The pegmatite contains an irregular quartz core from 3 to 5 feet thick with feldspathic zones consisting of perthite, quartz, muscovite, and biotite on both walls. Mica of strategic grade occurs in both wall zones, but is more abundant in the hanging wall zone.

As the incline was deepened the pegmatite thins slightly and the incline was enlarged to about 9' x 9' and all pegmatite was taken out from the hanging to foot wall. From 100 to 200 pounds of run-of-mine mica was obtained for each foot of advance, thus the total pegmatite contains on an average of about 40 pounds of mica per cubic yard.

Both ruby and non-ruby mica are present. The ruby mica constitutes an estimated 75 percent of the total and is of excellent quality, except for some intergrowth with biotite. Books up to 16 pounds in weight were recovered during the project. The non-ruby mica is mostly scrap. Value of production during the project is not known, and the mica sold was not sold under the Ruby Mine name to the Spruce Pine Depot.

Additional work at this place should be along the same approach as outlined in the contract.

Expenditures:

(a)	Total approved	$4,350.00
(b)	Total cost of project	737.00
(c)	Government's share of cost	552.75
(d)	Government's share unexpended	2,709.75
(e)	Value of production during opr.	unknown

The Operator vouchered the Government for an additional 13 feet ($650) for August 1954, but this voucher was not paid because they had abandoned the project at that time.

No equipment was purchased for the project. The competency of the Operators has been discussed elsewhere.

November 9, 1955

K. H. Teague, Geologist
U. S. Geological Survey

and

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

z

W. C. Anderson

October 24, 1955

Mr. Robert A. Laurence, Knoxville, Tenn., calling Mr. F. L. Knouse

Re: Docket No. DMEA-3290 - Mica
Young and Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Mr. Anderson: You recommended termination by unilateral action on the Ruby Mine, Young and Burleson, DMEA-3290, and a review of the MF-104's indicates that we could certify this project. A Field Team interim report says 400 lbs. of mine run mica per foot of advance was produced. What is the Field Team thinking on that question?

Mr. Laurence: I will check that question with Teague. Ok - Teague says we could calculate some reserves on that project.

Mr. Knouse: Could you get us a report on the reserves?

Mr. Anderson: Suppose we prepare a termination by unilateral action and send it down to you.

Mr. Knouse: In the meantime, possibly, you could send us up the reserves calculations which would probably justify certification.

Mr. Laurence: We have not gotten anywhere writing and I doubt we could accomplish anything with additional correspondence. We have repeatedly requested these Operators to resume the project work without any success.

Mr. Anderson: We will take the matter up with our Legal Division and see how they feel about unilateral action and certification.

F L Knouse

FLKnouse:gad 10/24/55
Copy to: Admr. R. File
Docket
Mr. Houk

September 29, 1955

Mr. Robert A. Laurence, Knoxville, Tenn. calling Mr. F. L. Knouse

Re: Docket No. DMEA-3290 - Mica
Young and Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Mr. Anderson: I would like to talk about DMEA-3290. We received a memo on the 16th recommending termination by unilateral action and recommending pseudo certification.

Mr. Laurence: We mean the sort of thing you are doing on the L. Rex Boone case.

Mr. Anderson: That is by termination agreement. The pseudo certification has to be agreed to by the operator.

Mr. Laurence: We think we should have some protection. What will you do if he doesn't sign it.

Mr. Knouse: The only alternative is to tell him if he doesn't we will have to turn it over to the Attorney General for action.

Mr. Laurence: That is ok and we will put it on the same basis as L. Rex Boone. I don't think Burleson will ever get back to work on that project.

Mr. Anderson: This is an easier case to settle than L. Rex Boone's case because Boone's contract was rescinded.

Mr. Laurence: We were confused on the legal aspects of the case which was a misunderstanding on our part. We thought the Boone contract was being terminated by unilateral action.

W. C. Anderson
F. L. Knouse

FLKnouse:gad 9/29/55
Copy to: Docket
Mr. Houk
Admr. R. File

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.

September 16, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V

Subject: DMEA-3290, Idm-E679 (mica) C. C. Burleson, Assignee
Ruby Mine, Yancey County, N. C.

We recommend termination by unilateral action. We doubt if the Operator will sign a mutual agreement, although we also doubt if he is likely to ever resume work on the project.

Termination should be made effective August 1, 1954. Although at least 13-feet of shaft sinking was done during August 1954, for which the Operator has not been paid, the project was abandoned without satisfactory explanation some time between August 26 and September 10, 1954, and if the contract is to be terminated we do not think this unpaid footage should be paid for.

We recommend "pseudo-certification."

Robert A. Laurence

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch

V. J. Lynch, Member
DMEA Bureau of Mines

Docket File
Surname:
Anderson
Houk
Selfridge
Johnson
Matthewson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

SEP 13 1955

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3290 - Mica
Young and Burleson
Assigned to C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Dear Mr. Laurence:

Reference is made to the subject contract for exploration work at the Ruby Mine.

This project has been idle for a long time and it appears that the Operator has lost interest and has no intentions of ever completing it. We have, therefore, concluded that the contract be terminated immediately by unilateral action.

Please advise if you approve, or would you prefer termination by mutual agreement? Is certification going to be recommended?

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

Approved:

P. F. Yopes (SHB)
Member, Bureau of Mines

/s/ N. E. Nelson (SHB)
Member, Geological Survey

WCAnderson:pk 9/9/55
Copy to: Admr. R; File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

RCL

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUN - 8 1955

June 6, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V, Knoxville, Tennessee

Subject: DMEA-3290, Idm-E679 (mica) C. C. Burleson, Assignee
Ruby Mine, Yancey County, N. C.

Reference is made to your letter of June 3.

Mr. Ernest Briggs told Mr. Teague, last Thursday, that he has another potential operator for this contract. Messrs. Hoover and Grindstaff, for reasons of their own, refused to sign the assignment papers which were prepared some time ago by the Washington office.

Therefore, we suggest that no action be taken until we hear from Mr. Briggs again. He was advised to submit his new lease and other relevant data as soon as he has obtained a new Operator. Mr. Teague will see him again about June 16. There seems to be a fair chance of completion of this project, and we would like to withhold any action until Mr. Briggs has been heard from again.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

Docket Copy
Surname:
Anderson
Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

JUN - 3 1955

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-2784 - Mica
H. J. Twiggs and W. S. Glenn
Sam Huskins Mine
Yancey County, North Carolina
Contract No. Idm-E519

Docket No. DMEA-3290 - Mica
Young and Burleson
Assigned to C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Dear Mr. Laurence:

Reference is made to the two subject projects both located on property owned by Mr. E. L. Briggs.

There has been no work at either of these projects for a long time and in both cases the time for completion has expired. It is doubtful they have valid leases, since Mr. Briggs has indicated that he has voided the leases because of failure to continue the work. All our efforts to get definite information from these two operators on their intentions for resuming work and the validity of their leases have met with failure and further correspondence with them appears useless.

For each of the projects please advise this office of your recommendations on certification, pseudo-certification, and termination by mutual agreement or unilateral action.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (SLB)

Approved:

J. H. Hedges
Member, Bureau of Mines (SLB)

Thor H. Kiilsgaard
Member, Geological Survey (SLB)

WCAnderson:gad 6/1/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 16, 1955

Mr. C. C. Burleson

Minneapolis, North Carolina

Re: DMEA-3290, Idm-E679 (mica)
Ruby Mine, Yancey County, N. C.
Young and Burleson, Assigned to
Burleson

Dear Mr. Burleson:

Reference is made to your letter of May 11, in which you requested that payment be made on the August voucher, now being held until work is resumed under the subject contract. You stated that it was your understanding that when you assigned the interest you held in the Ruby mine that you would be paid the balance of the footage. The Assignment which you signed was never consumated as Mr. Hoover and Mr. Grindstaff did not want to sign it when Mr. Briggs presented it to them.

As stated in our letter of September 22, 1954, we will pay the voucher when work is resumed.

Very truly yours,

Wm. A. Beck, Acting
EXECUTIVE OFFICER
DMEA REGION V

/zm
cc:
Lynch
Opr. Cons
Shirley
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 15, 1955

Mr. E. L. Briggs

Burnsville, North Carolina

Re: DMEA-3290, Idm-E679 (micm)
Young & Burleson
Ruby Mine, Yancey County, N. C.

Dear Mr. Briggs:

We have the forms for assignment of the exploration contract on the Ruby Mine from C. C. Burleson to Tate Hoover and Audie Grindstaff. Mr. Teague will be in Micaville next week and will get the signatures of all three men on these papers.

However, before the Government Consent to the assignment can be executed, it will be necessary to have a copy of your lease to Mr. Hoover and Grindstaff. Mr. Teague will call on you when he is in Burnsville next Friday, April 22. It will expedite the completion of this assignment if you will have a copy of the lease to give him at that time.

As soon as the assignment has been fully executed, an amendment extending the time of the contract, which would have expired last November, will be prepared. We hope it will be possible for Messrs. Hoover and Grindstaff to take over the work at the Ruby Mine in the near future.

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

RAL/sm
cc:
Smith
Shirley
Opr. Com.
Files

Docket Copy
Surname:
Bratzman
Houk
Chamberlin
Selfridge
H Johnson
Hedges

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

APR 13 1955

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3290 - Mica
Young and Burleson
Assigned to C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Dear Mr. Laurence:

Reference is made to your memorandum of March 25, 1955, requesting the assignment of subject contract from C. C. Burleson to Tate Hoover and Audie Grindstaff.

Pursuant to your request there are transmitted herewith the original and five copies of the assignment, acceptance, and consent forms transferring the subject contract from C. C. Burleson to Tate Hoover and Audie Grindstaff. As you will note in the Acting Assistant Solicitor's memorandum, dated April 7, 1955, the Government's consent to the assignment will not be given until either a copy of the lease assigned by C. C. Burleson and consented to by the Owner or a copy of a new lease is submitted to the Government. After the assignment and acceptance forms are executed by the Operator, please return the forms to this office for execution by the Government. After the assignment has been fully executed and the copies all distributed please sign Amendment No. 1, if you approve, and present it to the assignees Hoover and Grindstaff for signature.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Approved:

J. H. Hedges (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

LGHouk:gad 4/11/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 15

P.S. Amendment No. 1 is being held here until the assignment is returned.

R.C.

Rutan

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

APR - 7 1955

Memorandum

To: The Administrator, DMEA
Attention: L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3290 (Mica) Tate Hoover and Audie Grindstaff, assignee (C. C. Burleson) Ruby Mine, Yancey County, North Carolina, Contract Idm-E679

As requested in Mr. Anderson's memorandum dated March 30 we have prepared the attached assignment form, and Amendment No. 1.

The first document to be executed is the assignment form, and the Government's consent to the assignment should be withheld until either a copy of the lease assigned by Burleson and consented to by the owner, or a copy of a new lease is submitted to the Government.

After the assignment has been fully executed the amendment should be executed by the assignee, Hoover and Grindstaff.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor,
Defense Minerals

HCRubin:gjb 4/6/55

Copy to : DMEA Docket
Sol. Docket
L. G. Houk (2)
J. L. Hofflund
H. C. Rubin
Chron. File

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM POST OFFICE BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

April 6, 1955

Mr. L. E. Briggs, Atty. at Law

Burnsville, North Carolina

Re: Docket No. DMEA-3290 (mica)
Ruby Mine, Yancey County, N. C.
Contract Idm-E679

Dear Mr. Briggs:

This will acknowledge receipt of your letter of April 5th in which you requested that this office prepare an assignment of the subject contract from Mr. C. C. Burleson to Mr. Tate Hoover and Audie Grindstaff.

On March 25th we wrote the Operating Committee requesting them to prepare the necessary Assignment papers for the transfer of the contract. With our request we enclosed Mr. Burleson's letter of March 21, 1955 to you on which you wrote this office your approval of the assignment of the lease and contract.

We should be hearing about this in the very near future and will notify you as soon as we hear.

Very truly yours,

V. J. Lynch, Acting
Executive Officer, DMEA
Field Team, Region V

WAB/am
cc:
Lynch
Shirley
Opr. Com.
Files

FILE COPY
Surname:
Anderson
Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
600
WASHINGTON 25, D. C.

March 30, 1955

Memorandum

To: Mr. J. L. Hofflund, Acting Assistant Solicitor

From: Nonmetallic Minerals Division

Subject: Amendment and assignment of contract-
Docket No. DMEA-3290 - Mica
C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-K679

Reference is made to memorandum of March 25, 1955, from the Executive Officer, DMEA, Region V, and the attached letter received from Mr. E. L. Briggs, land owner, written on the bottom of Mr. C. C. Burleson's letter.

Please prepare the necessary assignment papers for this transfer. It is understood that execution of the assignment of subject contract is contingent upon receipt of a copy of either a new lease or an assignment of the old lease.

Since this contract expired on November 11, 1954, it will be necessary to prepare an amendment providing for a recess until May 2, 1955, and a period of five months to October 2, 1955, for completion of the project.

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:ad 3/30/55
Copy to: Admr. R. File
Docket
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM POST OFFICE BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

March 25, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region 5, Knoxville, Tenn.

Subject: DMEA-3290, Idn-E679 (mica) C. C. Burleson, Opr.
Ruby Mine, Yancey County, N. C.

Transmitted is the original and one copy of a letter received from Mr. E. L. Briggs, land owner written on the bottom of Mr. C. C. Burleson's letter.

Will your office please prepare the necessary assignment papers for this transfer.

Robert A. Laurence

Robert A. Laurence

RECEIVED
MAR 28 1955

Minneapolis, North Carolina
March 21, 1955

Mr. E. L. Briggs
Burnsville, North Carolina

Dear Sir:

Mr. Hoover and Mr. Grindstaff came over here to see about working the mine that Howard Young and I had leased. I have decided to let them have it, as I have been sick all winter and in the hospital a part of the time, and I do not want to go on the mountain unless it were summer weather.

Please notify Messrs. Hoover and Grindstaff to have their papers prepared and I shall sign a release.

Very truly yours,
C. C. Burleson
C. C. Burleson

RECEIVED
MAR 25 1955
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Mr. Robert A. Lawrence
Room 13, P.O. Bldg.
Knoxville, Tenn.

Dear Mr. Lawrence;

Re-Docket No. DMEA-3290-Mica
C.C. Burleson, Ruby Mine
Contract No. Idm-E679
Yancey County, N.C.

I have agreed to lease or let C.C. Burleson assign his lease to Tate Hoover and Audie Grindstaff of Micaville, N.C. on the Ruby Mica Mine, I understand that Mr. Burleson will have to also assign his contract to these parties, so you can see by this letter to me that Burleson is now ready to do this, so I will ask that you prepare the necessary papers of assignment and send them to Mr. Tate Hoover at Micaville, N.C. and he will then see Mr. Burleson and he will sign same. It is satisfactory with me for this to be done so that the contract on this mine can be carried out and the work finished that Burleson started.

If there is any papers that me and my wife will have to sign in this matter send them to us and we will sign same and go along with all parties so that work can be started again soon in this mine.

Thanks for all past favors, I am.

Yours truly,
E. L. Briggs
E. L. Briggs, Atty, Burnsville, N.C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

FEB 23 1955

Mr. R. L. Briggs
Attorney at Law
Burnsville
North Carolina

Re: Docket No. DMEA-2704 - Mica
H. J. Briggs and W. S. Glenn
Sam Hopkins Mine
Yancey County, North Carolina
Contract No. Idm-F519

Docket No. DMEA-3293 - Mica
C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-K577

Dear Mr. Briggs:

We have delayed answering your letter of December 22, 1954, pending the receipt of information from the Operators concerning their intentions with respect to resuming and continuing the exploration work. Up to this date the Operators have ignored our inquiries. The question of whether the land which is the subject of the two Exploration Project Contracts, and production therefrom will be subject to any claim of the Government for royalty depends upon what action the Government takes with respect to the present apparent default of the Operators under the Exploration Project Contracts, and possible certification of discovery or development on account of work already performed. We are not in a position to make these determinations at this time, but will do so as promptly as possible.

In the meantime, if you consider that your land is now free from the leases to our Operators, you are, of course, free to lease it to others. We suggest, however, that you make any such leases subject to any royalty claim running to the Government and arising out of the Exploration Contracts now in default.

R.L.B.

If you or your new lessees should wish to continue with and complete the work provided for in the Exploration Contracts now in default, it seems likely that we could enter into suitable agreements with you or your lessees for this purpose. Please advise us of the present status of the leases and of your wishes and intentions with respect thereto.

The following is the financial status of the two projects, which you requested in your letter:

	Am't of contract	Government participation	Expenditure to date Total	Gov't share
DMEA-2784 (Twiggs & Glenn)	$5,200.00	$4,680.00	$4,150.00	$3,735.00
DMEA-3290 (C. C. Burleson)	$4,350.00	$3,262.50	$ 737.00	$ 552.75

Sincerely yours,

C. O. Mittendorf

Administrator

JLHofflund:gjb
2/17/55
Copy to: DMEA Docket
Solicitor's Docket
Adm. Reading File
Operating Committee
T. H. Kiilsgaard, USGS
W. F. Dietrich, USBM
L. G. Houk
J. L. Hofflund
Chron. File
Pending File
Field Team, Region V

DOCKET FILE
Surname:
Anderson
Houk
Hoffmeed

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

600

INTERIOR DEPT.
FEB 3 - 1955
SOLICITOR

FEB 4 1955

Mr. C. C. Burleson

Minneapolis, North Carolina

INTERIOR DEPT.
FEB 2 - 1955
SOLICITOR

Re: Docket No. DMEA-3290 - Mica
Young and Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Dear Mr. Burleson:

Reference is made to the subject project which you suddenly abandoned in August, 1954, after accomplishing only 20 feet of shaft sinking.

We received a letter from Mr. E. L. Briggs, the land owner, dated December 22, 1954, a copy of which was mailed to you. Mr. Briggs advised that your lease was void because you had not complied with its terms, but that he would permit you to return to work if you were willing to commence within ten days and complete it.

It is requested that you advise promptly what your lease status is and work intentions are regarding the contract. If you have possession of the land and do return to work, it will be necessary to extend the completion date which we will be glad to do. If you do not request time extension and do not return to work the contract will be in default. In such case we may rescind the contract and demand repayment of all Government funds expended to date.

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:ad 2/1/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

P.C.S.

Docket Copy
Surname:
Anderson

Lawrence C. Houk
Matthews

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

DEC 20 1954

Mr. Ernest L. Briggs
Briggs Building
Burnsville, North Carolina

Re: Docket No. DMEA-2784 - Mica
H. J. Twiggs and W. S. Glenn
Sam Huskins Mine
Yancey County, North Carolina
Contract No. Idm-E519

Docket No. DMEA-3290 - Mica
C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Dear Mr. Briggs:

It has been reported to this office that you as landowner of the properties of the subject contracts have voided both leases.

It will be appreciated if you will verify this in writing giving your reasons and stating your intentions concerning the re-leasing of these properties to the same operators.

Please indicate whether your decisions on the above matters are definite and final. If conditional, please state the conditions.

Sincerely yours,

SIGNED

Lawrence C. Houk, Chief
Nonmetallic Minerals Division

WCAnderson:gad 12/20/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

December 6, 1954

Memorandum

To: The Administrator, DMEA

Attention: Mr. W. C. Anderson

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3290 (Mica), Young and Burleson
Contract No. Idm-E679

In Mr. Anderson's memorandum to me of November 23 he asks two questions which I will answer herewith:

1. Does the "remaining" partner have any rights to re-enter the property?

Answer. Assuming that the landlord's termination of the lease was justified by the default of the assignee-partner, neither partner has any right to re-enter the property.

2. Does the Government have any right to demand return of funds expended from the "remaining" partner?

Answer. Assuming that the assignee-partner is in default as indicated in the correspondence in the docket folder, the Government may declare the rescission of the exploration contract and demand the return of money contributed from both partners. As indicated in DMEA Circular 33, any such action should be taken in the Washington office, and should be with the aid of counsel.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

JLHofflund/emd
Copy to: DMEA Docket
Solicitor's Docket
L. G. Houk
J. L. Hofflund
chron.

Docket Copy
Surname:
Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

600

November 22, 1954

75 in RR

Memorandum

To: Mr. J. L. Hofflund, Acting Assistant Solicitor

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-3290 - Mica
J. H. Young and C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679
$4,350.00 at 75% - $3,262.50 Government participation

The subject contract was signed June 24, 1954. Work commenced July 15, 1954, and was suddenly abandoned in August 1954, after 20 feet of shaft sinking was accomplished out of the total contract of 35 feet of shaft and 75 feet of drifts.

There has been $737.00 spent here for preliminary work and 10 feet of shaft work. In this case the one partner abandoned and his interest was assigned to the remaining partner who wishes to continue the work. The land owner has voided the lease for non-performance. Does the remaining partner have any rights to re-enter the property? The voiding of the lease by the owner appears valid. Does the Government have any rights to demand return of funds expended from the remaining partner.

W. C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 11/22/54

Attachment

Copy to: Admr. R. File
Docket
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

Defense Minerals Administration
RECEIVED
NOV 17 1954

November 15, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region VII

Subject: DMEA-3290, Idm-E 679 (mica) Young & Burleson, (Sales Agreement)

Transmitted herewith are three copies of a sales agreement between Mr. Young and Mr. Burleson which should have accompanied the assignment of contract mailed your office November 12, 1954.

Robert A. Laurence

Robert A. Laurence

NORTH CAROLINA
Avery County

This agreement made this 25th day of October, 1954, between J. H. Young and C. C. Burleson, known as Young & Burleson, of the aforesaid county and state of the first part and C. C. Burleson, of said county and state, of the second part: WITNESSETH, that the parties of the first part, in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases, grants to the party of the second part, and his heirs and assigns, for the period of ten years from the date of this agreement, the following described real property, in the County of Yancey, State of North Carolina, to wit: Land known as E. L. Briggs property containing five acres and known as the Ruby Mine. To have and to hold the said lands to him, the said C. C. Burleson, his heirs and assigns, for the aforesaid period of ten years, upon a compliance with the conditions of this instrument, for the purpose and with the right to use said lands to dig for mica and to conduct the same to any extent the said party of the second part may desire. And it is agreed by party of the second part that no unnecessary damage is to be done to the lands herein leased during the continuance of this contract, and the party of the second part, his heirs and assigns agree that no payment is to be made to the party oft he first part.

Party of the second part to pay the royalty stipulated in the original lease to E. L. Briggs immediately following every sale of mica mined from this property.

Witness our hands and seals the day and year first above written.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 1 7 1953

J. H. Young (SEAL)

C. C. Burleson (SEAL)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

Defense Minerals Administration
RECEIVED

November 12, 1954

Memorandum

To: Operating Committee, DMEA - Washington, D. C.

From: Executive Officer, DMEA Field Team, Region VII

Subject: DMEA-3290, Idm-E-679 (mica)
Young & Burleson, Minneapolis, N. C.

Enclosed are the original and two copies of the assignment, acceptance, and consent forms by which the subject contract has been assigned to Mr. C. C. Burleson. Usual distribution of the other copies has been made.

However, as pointed out in my memorandum of November 8, there is considerable doubt that either Young or Burleson now have a valid lease on the property.

Robert A. Laurence

Robert A. Laurence

Enclosures 3

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 10 1954

November 8, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII - Knoxville, Tennessee

Subject: DMEA-2784, Idm-E 519 (mica) Twigg, Glenn & Greene; Sam Huskins Mine

and

DMEA-3290, Idm-E 679 (mica) J. H. Young & C. C. Burleson Ruby Mine

We are advised by Ernest Briggs, landowner of the properties of both subject contracts, that failure of the Operators to work within time specified by the lease has voided both leases, and that he does not intend to re-lease to the same Operators.

In the case of Twiggs, Glenn & Greene, no work has been done since October 1953, although the Operators have twice signed time-extensions Amendments and repeatedly assured us of their intention to resume work. We seriously doublt that they have any intention to resume work.

In the case of Young & Burleson, Mr. Burleson wants to continue, but has not yet returned to us the executed assignment and acceptance forms we sent him on October 27. We think Mr. Burleson intends to continue, if the land-owner will permit him to do so.

Please advise what we should do next in both cases.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

RAL/sm
cc:
Beck
Lynch
Files

Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1954

INTERIM REPORT

DMEA-3290 Idm-E679 (mica) RUBY (SHAFT) MINE

OPERATOR: J. H. Young and C. C. Burleson, Partners, Minneapolis, N.C.

LOCATION: One airline mile S 58° E of the Mine Fork School, Yancey County, N. C.

No work has been accomplished on this contract since the Interim Report of August 26, 1954. It is not known when work will resume, but one of the operators, C. C. Burleson, has expressed his desire to continue the work under contract if an agreement can be reached with his partner. Details concerning changes necessary are being handled through the Regional Office.

L. E. Shirley (MAP.)
L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

K. H. Teague D. H. Amos
K. H. Teague & D. H. Amos, Geologists
U. S. Geological Survey

October 21, 1954

Docket Copy
Surname:
Anderson
Houk
Selfridge
Jeffrey
Metcalf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

OCT 1 9 1954

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3290 - Mica
Young and Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Dear Mr. Laurence:

Please find herewith the original and five copies of a combination assignment of contract form. The Government's consent to the assignment is subject to the Operators furnishing copies of an assignment to C. C. Burleson of J. H. Young's interest in the lease prior to execution of the assignment.

The usual distribution of the assignment should be made after execution.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2HB)

Approved:

J. H. Hedges

Member, Bureau of Mines (2HB)

Thor H. Kiilsgaard

Member, Geological Survey (2HB)

Enclosures 6
WCAnderson:gad 10/13/54

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, ~~5227~~ 5222
Mr. Dietrich, 3061
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

Rubin

October 6, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3290, Contract Idm-E679
Burleson and Young, Assignment of Contract

As requested in memorandum dated September 28, from Mr. Houk, we have prepared the attached combination assignment of contract form.

The Government's consent to the assignment is subject to the Operator furnishing us with copies of an assignment to C. C. Burleson of J. H. Young's interest in the lease.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments 8
HCRubin/emd
Copy to: DMEA Docket
Solicitor's Docket
L. G. Houk (2)
J. L. Hofflund
H. C. Rubin
chron.

INTERIOR DEPT.
SEP 29 1954
SOLICITOR

600

September 28, 1954

Memorandum

To: Mr. J. L. Hofflund, Acting Assistant Solicitor

From: Lawrence G. Houk

Subject: Assignment of J. H. Young's interest to C. C. Burleson
Docket No. DMEA-3290 - Mica
J. H. Young and C. C. Burleson
Ruby Mine
Yancey County, North Carolina
Contract No. Idm-E679

Kindly review the subject docket and prepare the assignment of the contract requested in the attached memorandum from Region VII, dated September 22, 1954, and the letter from Mr. C. C. Burleson, dated September 20, 1954, with Mr. Laurence's answer of September 22, 1954.

Attachment

LGHouk:gad 9/28/54

Copy to: Admr. R. File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM POSTOFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
SEP 24 1954

September 22, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII - Knoxville

Subject: DMEA-3290, Idm-E 679 (mica) Young & Burleson. Ruby (Shaft)Mine

Enclosed are 2 copies of a letter received from C. C. Burleson, requesting assignment of J. H. Young's interest in the subject contract. Inasmuch as Mr. Young abandoned the operation without notice to us and apparently over the objection of Mr. Burleson, I request that papers be prepared for the assignment of the contract by Young, acceptance by Burleson and consent by the Government. It is my opinion that Mr. Burleson will carry on the work satisfactorily and that the assignment will be in the Government's interest.

Robert A. Laurence
Robert A. Laurence

SEP 24 1954

September 22, 1954

Mr. C. C. Burleson

Minneapolis, N. C.

Re: DMEA-3290, Idm-E 679 (mica)
Ruby (Shaft) Mine- N. C.
Young & Burleson

Dear Mr. Burleson:

As requested by you in your letter of September 20, we will be glad to have you resume the operations under the exploration contract and complete the project.

We will have papers prepared by which Mr. Young will assign his interest in the contract to you, and when these have been signed by you, Mr. Young, and the Government, you will then have sole responsibility for the contract. If Mr. Young has assigned his interest in the lease to you, we should have a written statement to that effect.

Until the assignment and acceptance papers have been signed, it will be necessary to carry this contract under the name of Young and Burleson and any checks for reimbursement during that period will be drawn to the order of Young and Burleson. We are now holding the August voucher here and will not process ot for payment until work has been resumed; however, any completed footage approved under the contract for which payment has not been made will be paid for when operations have been resumed.

Mr. Shirley and Mr. Teague will be in Spruce Pine on September 23 and 24 and can be reached there if you have any additional questions.

Very truly Yours,

Robert A. Laurence
Executive Officer DMEA
Region VII

RAL/sm
cc:
Opr. Con.-2
Lynch
Beck
Files

COPY

COPY

Minneapolis, North Carolina
September 20, 1954

Mr. Robert A. Laurence
Executive Officer
U. S. Department of the Interior
DMEA-Region VII
Room 13, Postoffice Building
Knoxville, Tennessee

Dear Mr. Laurence:

Replying to your letter of the 15th inst., addressed to Mr. J. H. Young, Young & Burleson, regarding the project at the Ruby Mine, I wish to ask whether or not I may be allowed to move machinery there and continue work.

Mr. Young came in, moved the machinery and there was nothing which I could do to prevent it, although it was against my wishes, as I wish to continue operations.

Please advise me whether I can use the remainder and turn over our footage for which young received no pay. I desire to carry out the contract and continue the work to a satisfactory completion. I can resume work at once, but I want to do the project individually in my own name, not as Young & Burleson, for Young is engaged in the timber business in Pennsylvania.

I am sure that if you allow me to do this, I can successfully carry out the contract and carry it to a satisfactory completion.

As I am very eager to continue this work, will you please advise me at once.

Very truly yours,

s/s C. C. Burleson

cc: (copied by xm)
Beck
Lynch
Opr. Com.
files (DMEA-3290, Idm-E679-Ruby Mine, N. C.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

September 17, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII - Knoxville

Subject: DMEA-3290, Idm-E 679(mica). Young & Burleson, Minneapolis, N.C.
Interim Report on Ruby (Shaft Mine) Yancey County, N. C.

Enclosed are four copies of the latest interim report on the subject exploration contract.

We have written to the Operator, asking for an explanation of the sudden abandonment. Recommendation for future action will be sent to you when we receive their reply.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

RECEIVED
SEP 20 1954

INTERIM REPORT

DMEA-3290 Idm-E679 (mica) RUBY (SHAFT) MINE

OPERATOR: J. H. Young and C. C. Burleson, Partners, Minneapolis, N. C.

LOCATION: One airline mile S 58° E of the Mine Fork School, Yancey County, N. C.

No progress is reportable on this contract since the Interim Report of August 26, 1954. No one was working at the time of this visit and all equipment had been moved from the mine.

The operator has not advised the Field Examiners of his intentions to abandon the project. As soon as the operator can be contacted another report will be made.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

K. H. Teague, D. H. Amos

K. H. Teague & D. H. Amos, Geologists
U. S. Geological Survey

September 9, 1954

September 15, 1954

Mr. J. H. Young
Young & Burleson
Minneapolis, N. C.

Re: DMEA-3290, Idm-E 679 (mica)
Ruby Mine, Yancey Co., N.C.

Dear Mr. Young:

Our field examiners visited the Ruby Mine on September 10, and they report that the project was inactive and all equipment had been removed.

No request for termination was received here, and no reason for the sudden abandonment has been given. On the field examiners' last previous visit, August 26, progress was satisfactory and there was no apparent reason to discontinue the work.

Please be advised that this abandonment constitutes a breach of contract, for which the Government can demand repayment in full of all Government contributions to the cost of the work. We would much prefer to see the work continued to a satisfactory completion. Therefore, will you please advise me how soon you can resume work. If conditions deteriorated so rapidly between August 26 and September 10 that you considered further work undesirable, we should have been advised so that our examiners could inspect the latest work and make a recommendation.

Your prompt reply will be appreciated.

Very truly yours,

Robert A. Laurence
Executive Officer
DMEA - Region VII

RAL/mm
cc:
Beck
Lynch
Opr. Com.-2
Files

INTERIM REPORT

DMEA-3290, Idm-E 679, RUBY MINE (mica)

Operators: J.H. Young and C. C. Burleson, Minneapolis, N. C.

Location: One airline mile S. 58° E. of Mine Fork School, Yancey County, N. C.

Shaft sinking continues on this contract and it is now 42-feet deep; 20 feet being done under the contract. The pegmatite in the bottom of the shaft is about 8 feet thick. The dip of the body flattened in the bottom 5 feet. Most of the mica recovered from below the point of flattening is of very poor quality, being badly cracked and curved. It tends to be concentrated along the hanging wall.

The Operator was advised to continue to sink the shaft on pegmatite by decreasing the inclination of the shaft.

Progress on this contract is satisfactory.

Examined: Aug. 26, 1954

D. H. Amos

D. H. Amos, Geologist
U. S. Geological Survey

INTERIM REPORT

DMEA-3290, Idm-E 679 - RUBY MINE (mica)

Operators: J.H. Young and C. C. Burleson, Minneapolis, N. C.

Location: One airline miles S. 58° E. of Mine Fork School, Yancey County, N.C.

Shaft sinking continues on this contract and it now is 36.5 feet deep; 14.5 feet being done under the contract. The pegmatite is about 9 feet thick in the bottom of the shaft and is being pulled from wall to wall. About 200 pounds of "mine-run" mica is being recovered per day (about 400 pounds per foot of advance). It tends to be concentrated along the hanging wall but recently a 17 pound block was obtained from near the footwall.

Progress on this contract is satisfactory.

Date of Exam: August 13, 1954

K. H. Teague D. H. Amos

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey

z

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1954 Docket No. DMEA 3290 Contract No. IDM-E-679
Operator's Name J.H. Young & O.C. Burlogon Minerals Mica
Address Minneapolis, N. C.
Contract Amount, $ 4,350.00 Government Participation: 75 % Amount, $ 3,262.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
Shaft	500.00	None	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc. Compression Shaft	237.00	None	237.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	737.00	None	737.00	737.00	—	737.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-6

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 8-2-54 *Payee J.H. Young & O.C. Burlogon

Per J. H. Young Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 552.75

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date AUG 11 1954 Vou. No. 30
(See other side)

1st 5 2/15 184.25

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. IDM-E679 in accordance with the terms of the contract.

Signature Henry H. Amos Title Geologist-USGS Date Aug. 5, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 6 1954

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1954 Docket No. DMEA 3290 Contract No. IDM-E-679

Operator's Name J.H. Young & G.G. Burlson Minerals Mica

Address Minneapolis, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Foot	500.00	10'	500.00	10'	50.00	35	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Recondition Shaft	1	237.00	1	237.00	1	237.00	1	237.00
TOTAL DISTRIBUTED COSTS		737.00		737.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		737.00		737.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date 8-2-54 Operator J.H. Young & G.G. Burlson

Per J. H. Young Title Partner

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

DAILY SUMMARY
J. H. YOUNG & C. C. BURLESON

JULY 1954

We cleared out old shaft and put up new timbers.

Got machinery and water and air lines set up.

Drilled, shot and cleared out muck for 10 feet.

We averaged aroung Two feet per day.

INTERIM REPORT

DMEA-3290 Idm-E679 (mica) RUBY (SHAFT) MINE

OPERATOR: J. H. Young and C. C. Burleson, Partners, Minneapolis, N. C.

LOCATION: One airline mile S 58° E of the Mine Fork School, Yancey County, N. C.

Starting date on this contract is July 15, 1954. The reconditioning of an existing 22-foot shaft is underway. Timbers, in the form of stulls and lagging, have been partially set to support the hanging wall side of the shaft.

Equipment on the job consists of a 105 c.f.m. air compressor with necessary drilling attachments, a gasoline-powered hoist and various hand tools. A straight leg and boom pole will be used as a hoisting frame.

Mr. R. A. Laurence, DMEA Executive Officer of Region VII, accompanied the examiners on this visit to the mine.

L. E. Shirley
M.R.
L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

K. H. Teague & D. H. Amos
K. H. Teague & D. H. Amos, Geologists
U. S. Geological Survey

July 15, 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 15, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 12, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Signed Contract, DMEA-3290, Idn-E 679 (mica) J. H. Young and C. C. Burleson, Minneapolis, N. C. Ruby Mine, Yancey Co., N. C.

Enclosed herewith are the original and two copiesof the subject contract signed by both partners. The usual distribution of the other copies has been made.

Also attached are signed copies of the Owner's Consent to Lien, and a statement that Arnold Thomas has transferred his interest in this lease to Young and Burleson.

Robert A. Laurence

Robert A. Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

Room 13, Post Office Building
Knoxville 2, Tennessee

June 25, 1954

Memorandum

To: Operating Committee, DMEA - Washington, D. C.

From: Executive Officer, DMEA Field Team, Region VII

Subject: DMEA-3290 (mica) Young and Burleson
Ruby Mine, Yancey County, North Carolina

Operating Committee minutes No. 380, dated June 16, 1954, received here today, states that a letter was sent to the field forwarding a contract on the subject mine, and other papers, for execution.

Although nine days have elapsed, the letter and contract have not yet been received here. It seems advisable to check and determine whether this has been lost in the mail and if so, to prepare another contract.

Robert A. Laurence

Robert A. Laurence
Executive Officer
DMEA Field Team, Region VII

DOCKET FILE
Surname:
Anderson
Houk
Rubin
Selfridge
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

600

JUN 24 1954

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3290 - Mica
Young and Burleson
Ruby Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown. They are subject to the attachment of a new Owner's Consent to Lien by the owner, and submission of evidence that Arnold Thomas, who is named with J. H. Young and C. C. Burleson as lessees of the property, has transferred his interest to the applicant. A copy of memorandum from the Legal Division is enclosed.

Please note the cost for drifting has been reduced from $35.00 to $30.00 per foot. If the contract meets with your approval present it to the Operators for approval and signature. Please explain to the Operators that the contract, when executed, is a firm commitment under the terms of which they are obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operators and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated May 13, 1954, and from the Bureau of Mines, dated June 4, 1954, are enclosed.

Sincerely yours,

George C. Selfridge (JHB)
Chairman, Operating Committee

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

D. M. Larrabee (JHB)
Member, Geological Survey

Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Enclosures 16

WCAnderson: 6/11/54
Rewritten WCAnderson:gad 6/21/54

R.C.G.

File Copy
Surname

Rubin
Hofflund
Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

June 7, 1954

Memorandum

To: The Administrator
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, DMEA

Subject: J. H. Young and C. C. Burleson, Partners
Docket No. DMEA-3290 - Mica

Attached is a contract covering the above-described project in satisfactory legal form for execution subject to the submission of evidence that Arnold Thomas, who is named with J. H. Young and C. C. Burleson as lessees of the property described in Annex I, has transferred his interest in the lease to the applicant; and subject also to the execution of the attached Owner's Consent-to-Lien forms.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor

Attachments 12

Copy to: Docket
Mr. Houk
Mr. Hofflund
Mr. Rubin
Chron.

HCRubin:ep

R.C.G.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 7 1954

June 4, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3290 (mica)

Applicant: J. H. Young and C. C. Burleson

Name and Location of Property: Ruby (Shaft) Mine
Yancey County, North Carolina

Date of Field Team Report: May 10, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: May 24, 1954

Field Team Recommendation:

1. Exploration program in the amount of $4,835.

Comments:

1. A zoned pegmatite is exposed.
2. Mica from subject mine has been sold to GSA Purchasing Depot.
3. Proposed exploration is consistent with good engineering practices and consists of the following:

(a) construction of tool house.
(b) rehabilitation and sinking shaft 35 feet.
(c) drifting 75 feet.

Recommendation:

I concur in the field team's recommendation for an exploration project in the amount of $4,835.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

Defense Minerals Administration
RECEIVED
MAY 14 1954

May 13, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3290 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: J. H. Young and C. C. Burleson, Minneapolis, North Carolina.
Name of property: Ruby (Shaft) Mine.
Location of property: Yancey County, North Carolina.
Date of field team report: May 5, 1954.
Authorship of field team report: K. H. Teague, L. E. Shirley, and D. H. Amos.
Field team's recommendation:

Rehabilitate southern test shaft.
Sink this shaft an additional 35' in hanging wall part of peg.
75' drift.

$4,835

Comments: While exploring, take a look at the other side of the quartz core.

ACTION RECOMMENDED: Follow field team's recommendation.

D. M. Larrabee

D. M. Larrabee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
ROOM 2-B-06
KNOXVILLE 2, TENN.

Defense Minerals Administration
RECEIVED
MAY 12 1954

May 10, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Field Examination Report, DMEA-3290 (mica) Ruby (Shaft) Mine. Yancey County, N. C. J. H. Young and C. C. Burleson, Appli.

Enclosed are four copies of the subject report, with six extra copies of the map.

It is our opinion that the proposed exploration is justified, and we recommend approval on a unit-cost basis of the following items:

Powder Magazine	$50.00
Exploder "	25.00
Tool House	150.00
Reconditioning Shaft	235.00
Shaft, 35 ft. @ $50/ft.	$1,750.00
Drift and/or crosscut, 75 ft. @ $35/ft.	2,625.00
	4,835.00

Robert A. Laurence

Robert A. Laurence, Executive Officer
DMEA Field Team, Region VII

Wm. A. Beck

Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

F.E. RPT.

UNITED STATES
DEPARTMENT OF THE INTERIOR

Defense Minerals
JUN 12 1954

GCS
6/15/54

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT -FIELD TEAM, REGION VII

On

DMEA-3290, RUBY (SHAFT)MINE (mica)
Yancey County, North Carolina

By

Kefton H. Teague and Dewey H. Amos, Geologist
U. S. Geological Survey

and

Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

May 5, 1954

THE INTERIOR
Administration
RECEIVED
MAY 12 1954

FIELD EXAMINATION REPORT
On
DMEA-3290, RUBY (SHAFT) MINE (mica)

Applicants: J. H. Young and C. C. Burleson, Minneapolis, North Carolina

This deposit which is a new one has been worked only to a limited extent. Considerable pegmatite containing mica of stockpile grade is well exposed. The possibility for discovery of a worthwhile deposit appears favorable; therefore, the field examiners recommend that exploration assistance be granted.

The deposit was examined on April 23, 1954. Messrs. J. H. Young and C. C. Burleson accompanied the examiners on the inspection which required two hours.

The Ruby Mine is located one airline mile S. 58° E of the Mine Fork school, Yancey County, North Carolina. Access is via 1 1/2 miles of jeep road. No road is present the last 500 feet but one will not be necessary as a compressor is already on the site.

Both applicants have had some mica mining experience and appear competent to conduct the proposed project.

Area covered by the lease is adequate for the project. There are no surface facilities. The workings consist of two test shafts (inclined -75° to southeast); the northern is 16.5 feet deep and the southern an estimated 22 feet (see attached map). The latter contains about 10 feet of muck and its southeast face is presently unsafe and requires timbering.

A zoned pegmatite 12.5 feet thick, striking N. 10° E. and dipping 75° SE, is exposed. It is conformable to the country rock, biotite gneiss and hornblende gneiss. Neither country rock nor pegmatite is weathered. The pegmatite contains an irregular quartz core about 5 feet thick with feldspathic pegmatite consisting of perthite, quartz, muscovite and biotite on both walls. Mica of strategic quality occurs scattered throughout the handing wall feldspathic zone.

The mica is hard, ruby colored, splits well, and some of the mica is broadly ruled (1-4") and is of excellent quality. The non-ruled mica is somewhat curved and mineral stained and composes about 35 percent of the total.

All of the work at the mine has been done in the past year by the applicants. About $800 worth of strategic mica was sold to the Spruce Pine Depot from this operation. There was much small mica of strategic grade wasted

during the operating, judging from the dump.

Supplies and skilled labor are available locally. No electricity is available near the mine.

The program suggested by the applicants should be modified to: (1) Construction of 10' x 12' tool house, cap magazine and powder magazine; (2) rehabilitation of southern test shaft, (3) sinking this shaft an additional 35 feet in the hanging wall portion of the pegmatite (about -75° incline), and (4) driving of 75 feet of drift from the shaft. The applicants are in agreement with this proposed program.

An estimation of unit costs for the above proposed program is as follows:

Powder Magazine			$50.00
Exploder "			25.00
Tool House			
Lumber 1000 b.f. @ $80/1000 b.f.		$80.00	
Labor			
1 Carpenter 16 hrs. @ $1.75/hr.		28.00	
1 Helper 16 hrs. @ $1.00/hr		16.00	
Nails, roofing and hardware		26.00	150.00

Reconditioning southern shaft

Labor (timbering) 2 shifts		
1 Carpenter @ $1.75/hr	28.00	
2 helpers @ $1.00/hr.	32.00	
Timber: 1000 b.f. @ $70/1000	70.00	
Labor : (muck removal) 3 shifts		
1 Hoistman @ $1.25/hr	30.00	
2 Laborers @ $1.00/hr	48.00	
	208.00	
Operating Material and Supplies:		
Hoist rental @ $50/Mo.	12.50	
Supplies:		
Nails	5.00	
Gas and oil	9.50	235.00

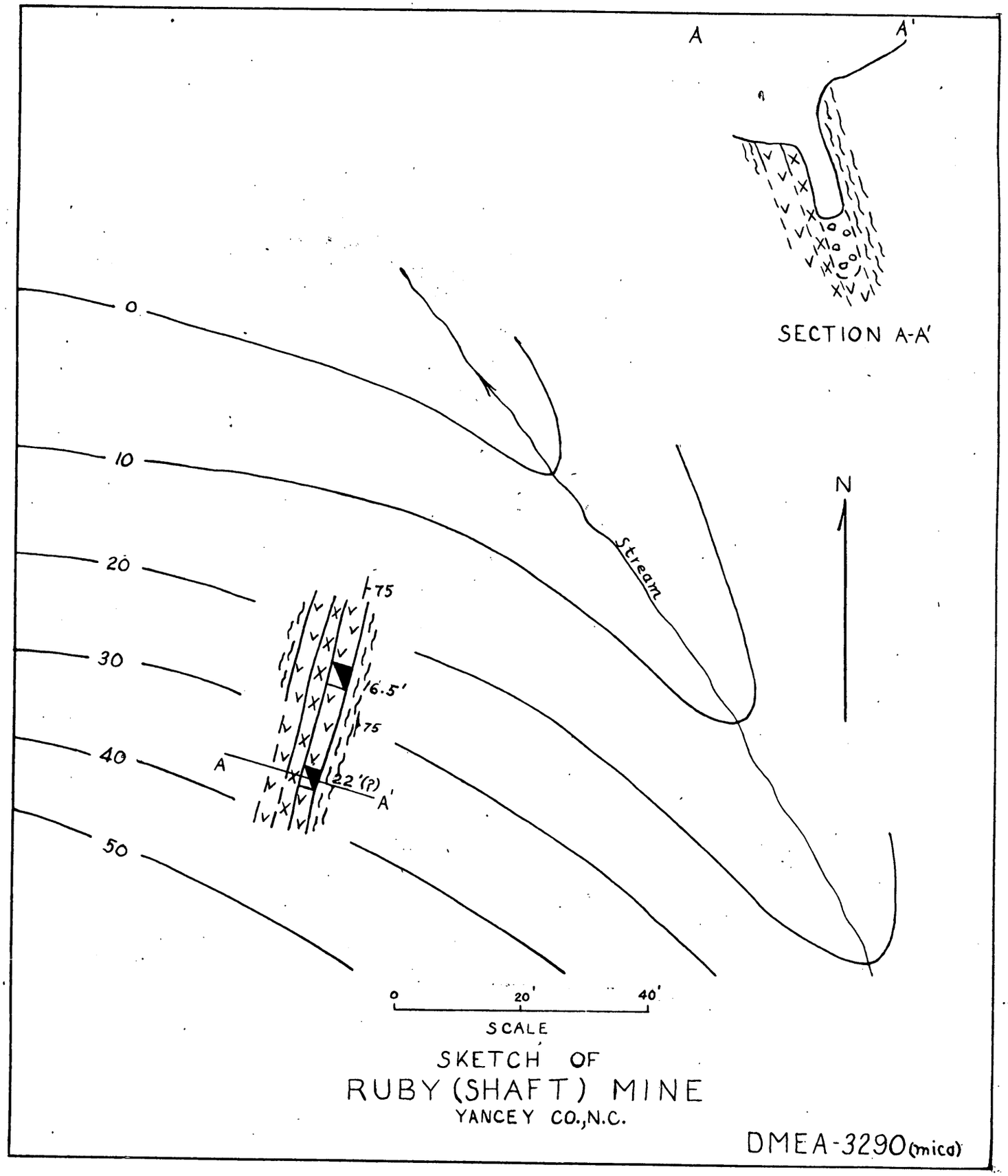
Sinking shaft an additional 35 feet on -75° incline
(18 shifts)

Labor and Supervision		
3 Laborers @ $1.00/hr.	$432.00	
1 Hoistman @ $1.25/hr.	180.00	
1 Driller-foreman @ $1.25/hr	180.00	
Operating Material and Supplies		
Explosives	150.00	
Gas and Oil	200.00	$11.11/shift
Drill Steel	50.00	
Small tools & supplies	47.00	
Operating Equipment :		
Compressor, pump and hammer rental @ $240/Mo.	216.00	
Hoist rental @ $50/Mo.	45.00	
Miscellaneous:		
Insurance, Social Security, repairs, etc.	200.00	
Contingencies	50.00	$1,750.00

Driving 75 feet of drift (30 shifts):

Labor & Supervision:		
3 Laborers @ $1/hr.	720.00	
1 Hoistman @ $1.25/hr.	300.00	
1 Driller-foreman @ $1.25/hr.	300.00	
Operating Material & Supplies:		
Explosives	200.00	
Gas & Oil	200.00	
Drill steel	100.00	
Small tools & supplies	50.00	
Operating Equipment:		
Compressor, pump & Hammer rental @ $240/Mo.	360.00	
Hoist rental @ $50/Mo.	75.00	
Miscellaneous:		
Insurance, Social Security, repairs, et.	250.00	
Contingencies	70.00	2,625.00

Total estimated cost of project....$4,835.00



SKETCH OF
RUBY (SHAFT) MINE
YANCEY CO., N.C.

DMEA-3290 (mica)

File Copy
Surname:
Houk
Thayer
Hedges
Sellentge
Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

APR 8 1954

Mr. J. H. Young
Young and Burleson
Minneapolis, North Carolina

Re: Docket No. DMEA-3290 - Mica
Young and Burleson
Ruby Mine
Yancey County, North Carolina

Dear Mr. Young:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

WCAnderson:gad 4/6/54
Copy to: Admr. R. File
Docket File
Field Team, Reg. 7
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G.

File Copy
Surname:
Hoch
Thayer
Selfridge
Hedges

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

APR 8 1954

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3290 - M&A
Young and Burleson
Ruby Mine
Yancey County, North Carolina

Dear Mr. Laurence:

Please review the subject application and arrange for a field examination if you deem it necessary.

Copies of memoranda from the Geological Survey, dated March 24, 1954, and from the Bureau of Mines, dated March 30, 1954, are enclosed for your information.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (2+3)

Approved:

J. H. Hedges (2+3)
Member, Bureau of Mines

T. P. Thayer (2+2)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 4/6/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.H.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

Department of the Interior
Defense Minerals Administration
RECEIVED
MAR 31 1954

March 30, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3290

Applicant: Young and Burleson

Name and Location of Property: Ruby Mine
Yancey County, North Carolina

Application Rec'd. by Ceramic & Fert. Mats. Branch: March 23, 1954

Comments:

1. Our records of mica purchases at Spruce Pine up to December 31, 1953 do not show any purchases for a mine by the name "Ruby" or "Shaft." However, lot ticket SP-270, September 2, 1953, shows 54.76 pounds of mica sold by J. Young to the Government as coming from "various mines."

2. Estimated cost totaling $13,411 is extremely high and certain items, such as one mica trimming house supervisor and three mica splitters, are not chargeable to exploration.

3. The arithmetic in section 6 of the appendix is not correct. I assume the applicant means 100 shifts and not 1000, as stated in two places in 6(b). Revised estimates would be:

	1 supervisor 100 shifts @ $1.50 per hour equals	$1200.00
	1 drill runner ditto	1200.00
	3 muckers 300 shifts @ $1.00 per hour	2400.00
(delete)	1 supervisor mica house 100 shifts @ $1.50 per hour	1200.00
(delete)	3 mica splitters 300 shifts @ $1.00 per hour	2400.00
		$8400.00

Recommendation:

It is suggested the field team visit this property to ascertain if an exploration program is justified. If so, the applicant and field team should agree on an adequate exploration program.

It is also suggested that any resulting contract be written on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 25 1954

March 24, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3290 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Young and Burleson, Avery County, N. C.
Name of property: E. L. Brigg's Property (Ruby or Shaft Mine)
Location of property: Yancey Co., N. C.
Summary of applicant's proposal:

1 - Increase depth of a present shaft by 50'
2 - Drift 50'
$10,500
(incl. supervision of splitters, and splitting labor.)

Sources of information on applicant's property:
None as it is a new deposit.

Comments: If applicants have had as much mining experience as they say, they should know a little more about costs than they apparently do.

Furthermore, an exploration contract does not include hiring rifters, splitters, etc., and their supervision.

ACTION RECOMMENDED:

Refer to Field Team for examination if necessary, and if so, complete revision of project and estimated costs.

D. M. Larrabee

D. M. Larrabee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

March 23, 1954
Subject: DMEA-3290
Re: Exploration Assistance
Ruby Mine

Young and Burleson
% J. H. Young
Minneapolis, N. Car.

Dear Sirs:

The receipt of your application dated March 12, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3290 and referred to the Non-Metallic Minerals Division.

Kindly refer to DMEA-3290 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams
Chief, Operation's Control
and Statistics Division